



**The Hub Power Company Limited**

Unaudited Financial Statements  
for the Half Yearly/2<sup>nd</sup> Quarter Ended  
December 31, 2020

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## **Company Information**

### **Board of Directors**

M Habibullah Khan	Chairman
Khalid Mansoor	Chief Executive
Javed Akbar	
Aly Khan	
Aleeya Khan	
Manzoor Ahmed	
Nadeem Inayat	
Ejaz Sanjrani	GOB Nominee
Owais Shahid	
Saad Iqbal	
Muhammad Ali	

### **Audit Committee**

Manzoor Ahmed	Chairman
Owais Shahid	
Aly Khan	
Saad Iqbal	
Nadeem Inayat	

### **Company Secretary**

Sohail Kassamali

### **Management Committee**

Khalid Mansoor  
Tahir Jawaid  
Abdul Nasir  
Nazoor Baig  
Kamran Kamal  
Saleemullah Memon  
M. Inam Ur Rehman Siddiqui  
Farrukh Rasheed  
Ruhail Muhammad

**Registered & Head  
Office**

11th Floor, Ocean Tower  
Block-9, Main Clifton Road, Karachi

Email: [Info@hubpower.com](mailto:Info@hubpower.com)  
Website: <http://www.hubpower.com>

**Principal Bankers**

Allied Bank of Pakistan  
Askari Bank Limited  
Bank Alfalah Limited  
Bank Al-Habib Limited  
Bank Islami Pakistan Limited  
Bank of Punjab  
Al-Baraka Bank (Pakistan) Limited  
Citibank N.A. Pakistan  
Dubai Islamic Bank Pakistan Limited  
Faysal Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
JS Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Pak Brunei Investment Company Limited  
Pak China Investment Company Limited  
Samba Bank Limited  
Standard Chartered Bank (Pakistan) Ltd.  
United Bank Limited

**Inter-Creditor Agents**

Habib Bank Limited

Allied Bank Limited

MCB Bank Limited

Bank of Punjab

**Legal Advisors**

Syed Jamil Shah

**Auditors**

A.F.F Ferguson & Co.

**Registrar**

FAMCO Associates (Pvt) Limited

**Hub Plant**

Mouza Kund,

Post Office Gaddani,

District Lasbela, Balochistan

**Narowal Plant**

Mouza Poong,

5 KM from Luban Pulli Point on Mureedkay-Narowal

Road, District Narowal, Punjab

**CPHGC Plant**

Mouza Kund,

Post Office Gaddani,

District Lasbela, Balochistan

**Laraib Energy Limited****(Subsidiary)**

12-B/1, Multi Mansion Plaza,

G-8, Markaz, Islamabad

## **DIRECTORS' REPORT**

### **REPORT OF DIRECTORS ON THE CONSOLIDATED AND UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2020**

The Board of Directors is pleased to present a brief overview of the financial and operational performance of the Company for the six months ended December 31, 2020.

Consolidated net profit during the period under review was Rs. 16,342 million, resulting in earnings per share of Rs. 12.60 compared to net profit of Rs. 11,052 million and earnings per share of Rs. 8.52 during the same period last year. The increase in profit is mainly due to higher share of profit from associate, China Power Hub Generation Company Limited (CPHGC), which started Commercial Operations on August 17, 2019, depreciation of PKR against USD and lower financing costs.

Unconsolidated net profit during the period under review was Rs. 10,309 million, resulting in earnings per share of Rs. 7.95 compared to net profit of Rs. 3,031 million and earnings per share of Rs. 2.34 during the same period last year. The increase in unconsolidated profit is mainly due to higher dividend income from subsidiaries, lower financing costs and depreciation of PKR against USD.

The Board of Directors declared an interim Dividend for the second quarter ended December 31, 2020 of Rs. 3.00 per share, at their meeting held on February 26, 2021.

The Company and Central Power Purchasing Agency (Guarantee) Limited (CPPA(G)) executed an agreement on 11<sup>th</sup> February 2021 (Agreement) in furtherance of the Memorandum of Understanding (MOU) dated 21st August 2020. Under the Agreement, the payment mechanism envisaged is two instalments, with 40% of the overdue receivables payable within 30 business days of signing the Agreement (comprising 1/3<sup>rd</sup> cash and 2/3<sup>rd</sup> financial instruments of PIBs and Sukuks) and the remaining 60% payable 6 months thereafter through the same method as that of the first instalment.

At the request of the Government of Pakistan (GoP), the Company and CPPA(G) have agreed to reduce the existing Fixed Operating Costs Element by 11%, whilst keeping the existing arrangement of indexations. At the same time, the Company and CPPA(G) have agreed to discontinue the US\$ Exchange rate and US CPI indexation on the Project Company Equity and fix the same on National Bank of Pakistan's TT/OD selling PKR/USD exchange rate prevailing as on 21<sup>st</sup> August 2020 and US CPI for the month of August 2020; however, till the current exchange rate reaches that of 21<sup>st</sup> August 2020 i.e. PKR 168.60/USD, the existing arrangement under Power Purchase Agreement (PPA) for the current half year shall apply for future billing.

The Company and CPPA(G) have further agreed to engage without delay, on signing of the Agreement, in good faith negotiations and discussions and use their best endeavours to achieve pre-mature termination of the PPA, which will be mutually beneficial i.e. resulting in compensation to the Company, while saving GoP substantial sums in lieu of capacity payments till the expiry of the PPA. Pre-mature termination would allow coal conversion of two of the Company's units to supply power to K-Electric. In parallel, the Parties have also agreed that certain outstanding dispute(s) shall be resolved through arbitration under the PPA.

Narowal Energy Limited (a wholly owned subsidiary of the Company) and CPPA(G) also executed an agreement on 11<sup>th</sup> February 2021 (Narowal Agreement) in furtherance of the Memorandum of Understanding dated 12<sup>th</sup> August 2020.

Under the Narowal Agreement, the ROE/ROEDC rate shall be changed from the current rate of 15% in US\$ to 17% in PKR, with no future US\$ indexation and the US\$ equity shall be converted to PKR using exchange rate PKR/US\$ of 148. However, the current indexation shall continue to be applied until the date the applicable exchange rate under the present Tariff reaches PKR/US\$ of 168. Furthermore, under the Narowal Agreement, at the request of GoP, in the larger national interest and sectoral sustainability, the future O&M savings and heat rate efficiency, shall be shared by Narowal Energy Limited and GoP.

The payment of overdue receivables is an integral part of the Narowal Agreement having similar payment terms as that of the Hubco Agreement, with payments due from the date of revised NEPRA tariff determination in relation to the ROE/ROEDC component. Further, on payment of the said receivables, Late Payment Surcharge (LPS) on future invoices will be lowered to KIBOR + 2.0% for the first sixty days and then shall revert to KIBOR + 4.5% as per the PPA, while ensuring that payments follow the PPA mandated FIFO payment principles for this rate to be effective.

#### **Growth Projects**

The lignite based 330MW Thar Energy Limited (TEL) Project in Thar Block II has completed ~60% of Project Construction and targets to achieve Commercial Operations Date (COD) by March 2022. Private Power and Infrastructure Board (PPIB) announced the Financial Close of Thar Energy Limited on January 30<sup>th</sup>, 2020 and the first draw down against Pak Rupee loan was made in March 2020.

Financial Close of the Company's second Project, 330MW ThalNova Power Thar (Pvt.) Ltd. in Thar Block II was achieved on 30<sup>th</sup> September 2020. The China Development Bank (CDB) is the lead arranger for the foreign financing from China and Habib Bank Limited is the lead arranger for the local financing. The Project's construction has already reached ~34%. The Project is expected to achieve its Commercial Operations Date by 2022 (mid-year).

#### **Hub Plant**

During the period under review, Hub plant generation was 105 GWh as compared to 34 GWh in the corresponding period last year, at a load factor of 2% (2019-20: 1%).

#### **Narowal Plant**

During the period under review, Narowal Plant generated 258 GWh as compared to 224 GWh in the corresponding period last year, at a load factor of 27% (2019-20: 24%).

#### **Laraib Plant**

During the period under review, Laraib Plant generated 225 GWh as compared to 152GWh in the corresponding period last year, at a load factor of 61% (2019-20: 41%).

#### **CPHGC Plant**

During the period under review, CPHGC Plant generated 3,636 GWh, at a load factor of 66%. Executed in a record time, as per schedule and within projected costs, CPHGC is a part of the early harvest energy

projects under China Pakistan Economic Corridor (CPEC) framework and the only joint venture project between Chinese and Pakistani Companies, making it a project of national and strategic significance. CPHGC will add 9 billion kWh of electricity to the national grid every year meeting electricity needs of ~4 million households in the Country.

#### **Sindh Engro Coal Mining Company (SECMC)**

SECMC achieved Financial Close (FC) for its Phase II Project in December 2019. The coal from Phase II will be supplied to Thar Energy Limited and ThalNova Power Thar (Pvt.) Limited.

#### **New Ventures**


The Company continues to pave the way for new discoveries, opportunities and possibilities in energy and other areas of infrastructure.

During the period under review, the Company submitted a proposal for a wastewater recycling project to the Government of Sindh (GoS) for industrial consumption. This is a Public Private Partnership between the Company and GoS. In addition to this, the Company has entered into a Memorandum of Understanding with Pakistan Defence Officers Housing Authority, Karachi (DHA) to jointly evaluate the commercial and technical viability of revival of DHA Cogen Limited, which will generate 84 MW of electric power for supplying to K-Electric and provide 3 million gallons per day of potable water for supplying to Cantonment Board Clifton. Additionally, the Company and DHA also plan to develop 5 million gallons per day of potable water project based on Sea Water Reverse Osmosis technology for which Hubco already possesses the first right of refusal.

During the period under review, the Company renewed its MoU with KE with respect to coal conversion of two of its units to supply power to K-Electric competitively priced baseload power. The Company is in the process of obtaining requisite Government approvals for the project.

The Company remains grateful to its Shareholders, employees, business partners and all other stakeholders for their confidence in the Company and their support in the Company's journey on the path of growth and prosperity.

By Order of the Board



Khalid Mansoor  
Chief Executive Officer



M. Habibullah Khan  
Chairman





**INDEPENDENT AUDITOR'S REVIEW REPORT**

**To the members of The Hub Power Company Limited**

**Report on review of Condensed Interim Unconsolidated Financial Statements**

**Introduction**

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of The Hub Power Company Limited as at December 31, 2020 and the related condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity, condensed interim unconsolidated statement of cash flows, and notes to the condensed interim unconsolidated financial statements for the half year then ended (here-in-after referred to as the "condensed interim unconsolidated financial statements"). Management is responsible for the preparation and presentation of these condensed interim unconsolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim unconsolidated financial statements based on our review.

The figures of the condensed interim unconsolidated statement of profit or loss and condensed interim unconsolidated statement of comprehensive income for the quarters ended December 31, 2020 and 2019 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2020.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim unconsolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim unconsolidated financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Waqas Aftab Sheikh.

**Chartered Accountants  
Karachi  
Date: February 26, 2021**



**THE HUB POWER COMPANY LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED**  
**STATEMENT OF PROFIT OR LOSS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

	Note	3 months ended Dec 2020 (Rs. '000s)	3 months ended Dec 2019 (Rs. '000s)	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
Turnover	5	6,814,298	6,443,253	15,621,936	13,695,283
Operating costs	6	(1,995,177)	(2,309,267)	(5,975,954)	(5,452,379)
<b>GROSS PROFIT</b>		<b>4,819,121</b>	<b>4,133,986</b>	<b>9,645,982</b>	<b>8,242,904</b>
General and administration expenses		(206,616)	(209,628)	(442,525)	(379,327)
Other income	7	4,061,946	72,659	4,320,268	112,231
Workers' profit participation fund	8	(202,250)	(3,007)	(214,904)	(3,633)
<b>PROFIT FROM OPERATIONS</b>		<b>8,472,201</b>	<b>3,994,010</b>	<b>13,308,821</b>	<b>7,972,175</b>
Finance costs	9	(1,381,976)	(2,554,930)	(2,915,941)	(4,914,610)
<b>PROFIT BEFORE TAXATION</b>		<b>7,090,225</b>	<b>1,439,080</b>	<b>10,392,880</b>	<b>3,057,565</b>
Taxation		(39,962)	(14,396)	(83,430)	(26,286)
<b>PROFIT FOR THE PERIOD</b>		<b>7,050,263</b>	<b>1,424,684</b>	<b>10,309,450</b>	<b>3,031,279</b>
Basic and diluted earnings per share (Rupees)		<u>5.44</u>	<u>1.10</u>	<u>7.95</u>	<u>2.34</u>

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial statements.

M. Habibullah Khan  
Chairman

Khalid Mansoor  
Chief Executive

Abdul Nasir  
Chief Financial Officer



**THE HUB POWER COMPANY LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED**  
**STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

	3 months ended Dec 2020 (Rs. '000s)	3 months ended Dec 2019 (Rs. '000s)	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
Profit for the period	7,050,263	1,424,684	10,309,450	3,031,279
<b>Other comprehensive loss for the period:</b>				
<i>Items that will not be reclassified to Profit or Loss in subsequent periods</i>				
Loss on revaluation of equity investment at fair value through other comprehensive income	(297,893)	(90,551)	(230,743)	(107,508)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>6,752,370</u>	<u>1,334,133</u>	<u>10,078,707</u>	<u>2,923,771</u>

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial statements.

  
M. Habibullah Khan  
Chairman

  
Khalid Mansoor  
Chief Executive

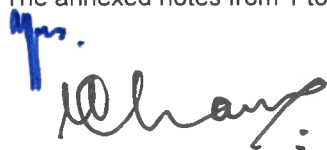
  
Abdul Nasir  
Chief Financial Officer




**THE HUB POWER COMPANY LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2020**

	Note	Dec 2020 (Rs. '000s) (Unaudited)	Jun 2020 (Rs. '000s) (Audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets			
Property, plant and equipment	10	11,202,653	12,146,305
Intangibles		11,931	25,562
Long term investments	11	56,454,902	56,548,645
Long term deposits and prepayments		21,967	22,167
		67,691,453	68,742,679
<b>CURRENT ASSETS</b>			
Stores, spares and consumables		1,533,637	1,722,145
Stock-in-trade		4,317,788	6,318,866
Trade debts	12	81,257,531	75,030,992
Loans and advances		1,745,900	159,953
Prepayments and other receivables	13	12,599,250	12,035,212
Cash and bank balances		1,933,266	511,446
		103,387,372	95,778,614
<b>TOTAL ASSETS</b>		171,078,825	164,521,293
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Share Capital</b>			
Authorised		17,000,000	17,000,000
Issued, subscribed and paid-up		12,971,544	12,971,544
<b>Capital Reserve</b>			
Share premium		5,600,000	5,600,000
<b>Revenue Reserve</b>			
Unappropriated profit		28,998,225	24,108,136
		47,569,769	42,679,680
<b>NON-CURRENT LIABILITIES</b>			
Long term loans	14	33,306,920	34,005,668
Long term lease liabilities		292,173	294,602
		33,599,093	34,300,270
<b>CURRENT LIABILITIES</b>			
Trade and other payables	15	57,591,598	55,980,892
Unclaimed dividend		209,038	207,797
Unpaid dividend		1,706,244	44,380
Interest / mark-up accrued		575,923	809,275
Short term borrowings	16	28,745,448	29,914,138
Current maturity of long term loans		1,055,253	561,518
Current maturity of long term lease liabilities		26,459	23,343
		89,909,963	87,541,343
<b>TOTAL EQUITY AND LIABILITIES</b>		171,078,825	164,521,293
<b>COMMITMENTS AND CONTINGENCIES</b>			
	17		

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial statements.

  
M. Habibullah Khan  
Chairman

  
Khalid Mansoor  
Chief Executive

  
Abdul Nasir  
Chief Financial Officer





**THE HUB POWER COMPANY LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED**  
**STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

	Note	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		10,392,880	3,057,565
Adjustments for:			
Depreciation		954,777	971,545
Amortisation		13,631	16,149
Dividend income from subsidiaries		(3,999,553)	(45,000)
Gain on disposal of fixed assets		(13,990)	(2,750)
Provision against slow moving stores, spares and consumables		159,596	77,005
Staff gratuity		11,523	15,055
Interest income		(6,971)	(33,871)
Interest / mark-up expense		2,662,295	4,625,376
Mark-up on lease liabilities		19,863	22,388
Amortisation of transaction costs		37,939	15,484
Operating profit before working capital changes		10,231,990	8,718,946
Working capital changes		(5,202,993)	(4,141,776)
Cash generated from operations		5,028,997	4,577,170
Interest income received		6,287	32,748
Interest / mark-up paid		(2,895,647)	(4,324,687)
Staff gratuity paid		(4,500)	(35,000)
Taxes paid		(36,365)	(26,286)
Net cash generated from operating activities		2,098,772	223,945
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Dividend received from subsidiaries		4,413,314	45,000
Fixed capital expenditure		(11,838)	(34,973)
Proceeds from disposal of fixed assets		14,703	5,907
Long term investments made		(137,000)	(7,927,628)
Long term deposits and prepayments		200	2,183
Net cash generated from / (used in) investing activities		4,279,379	(7,909,511)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends paid		(3,525,513)	(9,365)
Proceeds from long term loans - net		314,000	7,381,499
Repayment of long term loans		(556,952)	(801,705)
Repayment of long term lease liabilities		(19,176)	(22,720)
Net cash (used in) / generated from financing activities		(3,787,641)	6,547,709
Net increase / (decrease) in cash and cash equivalents		2,590,510	(1,137,857)
Cash and cash equivalents at the beginning of the period		(29,402,692)	(33,799,974)
Cash and cash equivalents at the end of the period	19	(26,812,182)	(34,937,831)

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial statements.

M. Habibullah Khan  
Chairman

Khalid Mansoor  
Chief Executive

Abdul Nasir  
Chief Financial Officer



**THE HUB POWER COMPANY LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED**  
**STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
<b>ISSUED CAPITAL</b>		
Balance at the beginning of the period	12,971,544	12,971,544
Balance at the end of the period	<u>12,971,544</u>	<u>12,971,544</u>
<b>SHARE PREMIUM</b>		
Balance at the beginning of the period	5,600,000	5,600,000
Balance at the end of the period	<u>5,600,000</u>	<u>5,600,000</u>
<b>UNAPPROPRIATED PROFIT</b>		
Balance at the beginning of the period	24,108,136	13,691,777
Profit for the period	10,309,450	3,031,279
Other comprehensive loss for the period	(230,743)	(107,508)
<b>Total comprehensive income for the period</b>	10,078,707	2,923,771
<b>Transactions with owners in their capacity as owners</b>		
First interim dividend for the fiscal year 2020-21 @ Rs. 4.00 (2019-20 @ Rs. Nil) per share	(5,188,618)	-
Balance at the end of the period	<u>28,998,225</u>	<u>16,615,548</u>
<b>TOTAL EQUITY</b>	<u><u>47,569,769</u></u>	<u><u>35,187,092</u></u>

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial statements.

*M.*

M. Habibullah Khan  
Chairman

Khalid Mansoor  
Chief Executive

Abdul Nasir  
Chief Financial Officer



**THE HUB POWER COMPANY LIMITED**  
**NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED**  
**FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

**1. THE COMPANY AND ITS OPERATIONS**

The Hub Power Company Limited (the "Company") was incorporated in Pakistan on August 1, 1991 as a public limited company. The shares of the Company are listed on the Pakistan Stock Exchange (PSX). The principal activities of the Company are to develop, own, operate and maintain power stations. The Company owns an oil-fired power station of 1,200 MW (net) in Balochistan (Hub plant).

The Company has the following subsidiaries and associates:

***Subsidiaries***

- Laraib Energy Limited (LEL) - Holding of 74.95%;
- Hub Power Services Limited (HPSL) - Holding of 100%;
- Hub Power Holdings Limited (HPHL) - Holding of 100%;
- Narowal Energy Limited (NEL) - Holding of 100%; and
- Thar Energy Limited (TEL) - Holding of 60%.

***Associates***

- China Power Hub Generation Company (Private) Limited (CPHGC) - Legal ownership interest of 47.5%; and
- ThalNova Power Thar (Private) Limited (TNPTL) - Ownership interest of 38.3%.

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

These condensed interim unconsolidated financial statements of the Company for the half year ended December 31, 2020 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS-34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim unconsolidated financial statements do not include all the information and disclosures as required in the annual unconsolidated financial statements and should be read in conjunction with the Company's annual unconsolidated financial statements for the year ended June 30, 2020. These condensed interim unconsolidated financial statements of the Company for the half year ended December 31, 2020 are unaudited but subject to limited scope review by the statutory auditors as required by applicable laws. The figures of the condensed interim unconsolidated statement of profit or loss and statement of comprehensive income for the quarters ended December 31, 2020 and 2019 have not been reviewed by the statutory auditors of the Company as they are only required to review the cumulative figures for the half years ended December 31, 2020 and 2019.

These condensed interim unconsolidated financial statements are the separate condensed interim financial statements of the Company in which investments in subsidiaries have been accounted for at cost less accumulated impairment losses, if any.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation followed for the preparation of these condensed interim unconsolidated financial statements are same as those applied in preparing the unconsolidated financial statements for the year ended June 30, 2020.

#### 4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of condensed interim unconsolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions. Judgements and estimates made by the management in the preparation of these condensed interim unconsolidated financial statements are same as those applied in the Company's annual unconsolidated financial statements for the year ended June 30, 2020. The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's annual audited unconsolidated financial statements for the year ended June 30, 2020.

	Note	3 months ended Dec 2020 (Rs. '000s)	3 months ended Dec 2019 (Rs. '000s)	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
<b>5. TURNOVER</b>					
Capacity Purchase Price (CPP)		5,579,375	4,957,309	11,174,571	9,914,617
Energy Purchase Price (EPP)		1,630	-	2,079,764	688,908
Late Payment Interest (LPI)		1,230,111	1,485,944	2,433,419	3,099,838
Startup Charges (SC)		2,730	-	30,072	25,671
Part Load Adjustment Charges (PLAC)		452	-	154,296	62,463
		<u>6,814,298</u>	<u>6,443,253</u>	<u>15,872,122</u>	<u>13,791,497</u>
Less: Sales tax on EPP		-	-	(250,186)	(96,214)
		<u>6,814,298</u>	<u>6,443,253</u>	<u>15,621,936</u>	<u>13,695,283</u>

#### 6. OPERATING COSTS

Fuel cost		23,163	7,992	2,072,093	719,619
Late payment interest to fuel supplier		619,521	941,364	1,231,674	2,004,508
Stores and spares		147,746	59,193	248,385	118,998
Operations and maintenance	6.1	72,250	399,750	144,500	799,500
Salaries, benefits and other allowances	6.2 & 6.3	176,627	-	374,424	-
Insurance		221,557	200,126	461,686	401,801
Depreciation		461,894	467,234	924,879	932,640
Amortisation		6,493	7,300	12,986	15,706
Repairs, maintenance and other costs		265,926	226,308	505,327	459,607
		<u>1,995,177</u>	<u>2,309,267</u>	<u>5,975,954</u>	<u>5,452,379</u>

6.1 This represents services rendered by HPSL (a subsidiary company) under Operations and Maintenance (O&M) Agreement.

6.2 Effective January 01, 2020, the Company entered into a Secondment Agreement with HPSL, whereby certain employees of HPSL were seconded to the Company. This amount represents salaries, wages and benefits of employees seconded from HPSL to the Company. As at December 31, 2020, number of seconded employees were 246 (Dec 2019: Nil).

6.3 This includes a sum of Rs. 31 million (Dec 2019: Rs. Nil) in respect of staff retirement benefits. The retirement benefit plans of the seconded employees are maintained by HPSL.

	Note	3 months ended Dec 2020 (Rs. '000s)	3 months ended Dec 2019 (Rs. '000s)	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
<b>7. OTHER INCOME</b>					
<b>Financial assets</b>					
Interest income		2,617	11,453	6,971	33,871
<b>Non-financial assets</b>					
Gain on disposal of fixed assets		13,990	193	13,990	2,750
Dividend income from HPSL		-	45,000	100,000	45,000
Dividend income from HPHL		3,899,553	-	3,899,553	-
Income from management services	7.1	145,095	15,172	298,184	27,670
Income from dredging services		339	-	339	-
Exchange gain - net		352	841	1,231	2,940
		<u>4,059,329</u>	<u>61,206</u>	<u>4,313,297</u>	<u>78,360</u>
		<u>4,061,946</u>	<u>72,659</u>	<u>4,320,268</u>	<u>112,231</u>



	Note	3 months ended Dec 2020 (Rs. '000s)	3 months ended Dec 2019 (Rs. '000s)	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
<b>7.1 Income from management services</b>					
Services income		309,422	157,147	592,618	290,771
Cost of services	7.1.1	(164,327)	(141,975)	(294,434)	(263,101)
		<u>145,095</u>	<u>15,172</u>	<u>298,184</u>	<u>27,670</u>

The Company has entered into services agreements with TEL (a subsidiary company) and TNPTL (an associate company). In accordance with the terms of the agreements, the Company provides assistance to TEL and TNPTL in performance of their obligations under relevant project agreements including Power Purchase Agreements, Coal Supply Agreements, Water Use Agreements, Implementation Agreements, EPC Contracts and O&M Agreements.

7.1.1 This includes a sum of Rs. 4 million (Dec 2019: Rs. 8 million) in respect of staff retirement benefits.

	Note	3 months ended Dec 2020 (Rs. '000s)	3 months ended Dec 2019 (Rs. '000s)	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
<b>8. WORKERS' PROFIT PARTICIPATION FUND</b>	8.1	<u>202,250</u>	<u>3,007</u>	<u>214,904</u>	<u>3,633</u>
<b>8.1 Workers' profit participation fund</b>					
Provision for Workers' profit participation fund		364,624	71,609	530,389	153,059
Workers' profit participation fund recoverable from CPPA(G)		(162,374)	(68,602)	(315,485)	(149,426)
		<u>202,250</u>	<u>3,007</u>	<u>214,904</u>	<u>3,633</u>
<b>9. FINANCE COSTS</b>					
Interest / mark-up on long term loans		700,895	1,132,573	1,461,074	2,036,256
Mark-up on long term lease liabilities		9,845	18,154	19,863	22,388
Mark-up on short term borrowings		551,873	1,230,331	1,201,221	2,589,120
Amortisation of transaction costs		17,373	9,820	37,939	15,484
Other finance costs		101,990	164,052	195,844	251,362
		<u>1,381,976</u>	<u>2,554,930</u>	<u>2,915,941</u>	<u>4,914,610</u>

	Note	Dec 2020 (Rs. '000s) (Unaudited)	Jun 2020 (Rs. '000s) (Audited)
<b>10. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets		11,020,921	11,962,435
Capital work-in-progress (CWIP)		181,732	183,870
	10.1	<u>11,202,653</u>	<u>12,146,305</u>

10.1 Additions to property, plant and equipment during the period were Rs. 12 million (Dec 2019: Rs. 393 million) and disposals therefrom at net book value were Rs. 1 million (Dec 2019: Rs. 3 million).



	Note	Dec 2020 (Rs. '000s) (Unaudited)	Jun 2020 (Rs. '000s) (Audited)
<b>11. LONG TERM INVESTMENTS</b>			
<b>Investment in subsidiaries - unquoted</b>			
Laraib Energy Limited (LEL)		4,674,189	4,674,189
Hub Power Services Limited (HPSL)		100	100
Hub Power Holdings Limited (HPHL)	11.1	38,995,534	38,995,534
Narowal Energy Limited (NEL)		3,921,883	3,921,883
Thar Energy Limited (TEL)	11.2	6,549,503	6,412,503
		<u>54,141,209</u>	<u>54,004,209</u>
<b>Others - unquoted</b>			
Equity investment at fair value through other comprehensive income			
- Sindh Engro Coal Mining Company Limited (SECMC)		2,313,693	2,544,436
		<u>56,454,902</u>	<u>56,548,645</u>

#### 11.1 Hub Power Holdings Limited (HPHL)

HPHL, a wholly owned subsidiary, was incorporated in Pakistan on March 10, 2015 as a public limited company. The principal activities of the subsidiary are to invest in new business opportunities.

On November 12, 2020, HPHL issued privately placed secured Sukuk Certificates amounting to Rs. 6,000 million at a discounted value of Rs. 4,948 million covering profit payment for the first two years of the issue. The Sukuk Certificates carry mark-up at the rate of 2.5% per annum above six-month KIBOR. Commencing from Dec 2022, the mark-up on the Sukuk will be payable on semi-annual basis in arrears. The principal will be payable in four equal semi-annual installments commencing from May 2024. In addition to security provided by HPHL's assets, the Sukuk Certificates are also secured by:

- Ranking and subordinated charge over all present and future movable fixed assets of the Company; and
- Revolving Cross Corporate Guarantee from the Company for all principal repayments and profit amounts.

##### 11.1.1 ThalNova Power Thar (Private) Limited (TNPTL)

On September 30, 2020, Private Power and Infrastructure Board (PPIB) on behalf of the Government of Pakistan notified the achievement of Financial Close (FC) of TNPTL.

On January 31, 2020, CMEC (the EPC Contractor of TNPTL's project) notified TNPTL for Force Majeure Event (FME) due to outbreak of Coronavirus (COVID-19) in China and across the globe, the same was declared as pandemic by the World Health Organisation (WHO). Furthermore, this pandemic has also seriously affected the work of Chinese financial institutions, including China Development Bank. Accordingly, on March 16, 2020, TNPTL requested PPIB for further extension in Financial Closing Deadline till October 31, 2020. After fulfilling the required conditions, on July 28, 2020, PPIB approved the extension in Financial Closing Deadline till October 31, 2020. Under the PPA, TNPTL's Required Commercial Operations Date (RCOD) is March 31, 2021. TNPTL has the obligation to pay CPPA(G), Liquidated Damages (LDs), equivalent to the payment of proportionate Transmission Service Charges (TSC) payable by National Transmission and Despatch Company Limited (NTDC) to Pak Matiari-Lahore Transmission Company Limited, in case there is delay in COD of March 31, 2021. On March 12, 2019, TNPTL issued Limited Notice to Proceed (LNTP) to the EPC Contractor and work has commenced on the site. TNPTL expects to achieve COD by the mid of 2022, which will result in LDs amounting to USD 2.68 million for each month of delay. Considering the delay in COD, TNPTL has requested PPIB and CPPA(G) for extension in RCOD.



## 11.2 Thar Energy Limited (TEL)

On January 30, 2020, PPIB on behalf of the Government of Pakistan notified the achievement of Financial Close (FC) of TEL.

In relation to the achievement of TEL's FC, a Deed of Undertaking (Deed) was signed between TEL and Habib Bank Limited (the Intercreditor Agent), pursuant to which TEL was required to procure the following no later than June 30, 2020, subject to the terms and conditions defined in the Deed:

- i. An amendment in the Sponsor Support Agreement (SSA) executed between TEL, its shareholders and its lenders for Additional Sponsor Support up to maximum of USD 19.5 million in which the Company's share will be USD 11.7 million (based on the 60% equity stake); and
- ii. An amendment in the Coal Supply Agreement (CSA) in a way that coal supply by SECMC is available by December 31, 2021.

During the period, upon request of TEL, the Intercreditor Agent has extended the time period till when TEL is required to satisfy the requirement of Deed of Undertaking from June 30, 2020 to November 30, 2020 and waived any default or event of default as a result of Covid-19 situation in Pakistan including any breach under loan agreements. TEL has executed the above-mentioned amendment in the SSA and Amendment for CSA before November 30, 2020.

Under the PPA, TEL's Required Commercial Operations Date (RCOD) is March 31, 2021. Any delay in achievement of COD beyond the RCOD will result in Liquidated Damages (LDs) amounting to USD 2.68 million for each month of delay. TEL expects to achieve COD by March 2022. Considering the delay in COD, TEL has requested PPIB and CPPA(G) for extension in RCOD.

	Note	Dec 2020 (Rs. '000s) (Unaudited)	Jun 2020 (Rs. '000s) (Audited)
<b>12. TRADE DEBTS</b>			
Considered good - Secured			
Capacity Purchase Price (CPP)		36,000,252	33,680,603
Energy Purchase Price (EPP)		9,789,113	7,870,008
Late Payment Interest (LPI)	12.1 & 17.2	34,234,004	31,800,586
Startup Charges (SC)		271,898	241,826
Part Load Adjustment Charges (PLAC)		848,565	694,270
Pass through item - WPPF		113,699	743,699
	12.2	<u>81,257,531</u>	<u>75,030,992</u>

12.1 This includes Rs. 6,142 million (June 2020: Rs. 6,703 million) related to LPI which is not yet billed by the Company.

12.2 This includes an amount of Rs. 72,725 million (June 2020: Rs. 66,079 million) receivable from CPPA(G) which is overdue but not impaired because the trade debts are secured by a guarantee from the GOP under the Implementation Agreement (IA). The delay in payments from CPPA(G) carries mark-up at SBP Reverse Repo rate plus 2% per annum compounded semi-annually for all overdue amounts except Late Payment Interest invoices.



	Dec 2020 (Rs. '000s) (Unaudited)	Jun 2020 (Rs. '000s) (Audited)
<b>13. PREPAYMENTS AND OTHER RECEIVABLES</b>		
Prepayments	515,483	42,368
Other receivables		
Interest accrued	1,228	544
Income tax - refundable	1,356,371	1,403,436
Income tax - (Contractor tax refundable)	372,469	372,469
Sales tax	7,519,899	7,711,710
Staff gratuity	-	6,675
Receivable from LEL	30,322	439,735
Receivable from HPHL	32,958	75,013
Receivable from NEL	28,297	29,223
Receivable from TEL	42,385	32,765
Receivable from TEL against services agreement	282,009	-
Receivable from TNPTL	184,388	100,686
Receivable from TNPTL against services agreement	140,963	46,558
Workers' profit participation fund recoverable from CPPA(G)	2,081,869	1,766,384
Miscellaneous	10,609	7,646
	12,083,767	11,992,844
	<u>12,599,250</u>	<u>12,035,212</u>

#### 14. LONG TERM LOANS

During the period, the Company obtained additional long term loan of Rs. 314 million under the Salary Refinancing Scheme introduced by State Bank of Pakistan (SBP). The loan carries a mark-up of 1.50% per annum which is payable on quarterly basis in arrears. The loan is repayable in eight equal quarterly installments starting from January 2021. Any late payment by the Company is subject to the markup to be calculated at the prevailing rate of three month KIBOR plus 1.50%. The loan is secured against subordinate hypothecation charge over all present and future movable fixed assets of the Company (excluding land and building).

#### 15. TRADE AND OTHER PAYABLES

This includes Rs. 51,638 million (June 2020: Rs. 50,406 million) payable to Pakistan State Oil Company Limited (PSO), out of which overdue amount is Rs. 44,327 million (June 2020: Rs. 44,327 million).

The delay in payments to PSO carries mark-up at SBP Reverse Repo rate plus 2% per annum compounded semi-annually for all overdue amounts except Late Payment Interest invoices.

#### 16. SHORT TERM BORROWINGS

On November 16, 2020, the Company issued privately placed unsecured Sukuk certificates based on Musharaka amounting to Rs. 4,500 million at a mark-up of 1.30% per annum above six month KIBOR. The mark-up and the principal on the Sukuk is payable at maturity on May 16, 2021. Any late payment by the Company is subject to mark-up at a rate of 2.00% per annum over six month KIBOR.





## 17. COMMITMENTS AND CONTINGENCIES

There is no material change in the status of commitments and contingencies as disclosed in the annual unconsolidated financial statements of the Company for the year ended June 30, 2020, except for the following:

- 17.1 In furtherance of the MOU dated August 21, 2020, Central Power Purchasing Agency (Guarantee) Limited (Power Purchaser) and the Company have executed an agreement ("Agreement") on February 11, 2021. The payment of overdue receivables is an integral part of the Agreement and the payment mechanism envisaged is two instalments, with 40% of the overdue receivables to be received within 30 business days of signing the Agreement comprising 1/3rd in cash and 2/3rd in the form of financial instruments of Pakistan Investment Bonds (PIBs) and Sukuks and the remaining 60% payable 6 months thereafter by way of similar mechanism as that of the first instalment. In addition, payment of all invoices will be made in order of its submission so that invoices that have been outstanding the longest (in whole or in part) shall be paid first.

The Parties have also agreed to reduce the existing Fixed Operating Costs Element by 11%, whilst keeping the existing arrangement of indexations. However, the Parties have agreed to discontinue the USD Exchange rate and US CPI indexation on the Project Company Equity and fix the same on National Bank of Pakistan's TT/OD selling PKR/USD exchange rate prevailing as on August 21, 2020 and US CPI for the month of August 2020; however, till the current exchange rate reaches that of August 21, 2020 i.e. PKR 168.60/USD, the existing arrangement under Power Purchase Agreement (PPA) for the half year January 2021 - June 2021 shall apply for future billings.

The Parties have also agreed to engage without delay, on signing of the Agreement, in good faith negotiations and discussion and use their best endeavours to achieve pre-mature termination of the PPA, which will be mutually beneficial, resulting in compensation to the Company, while saving GOP substantial sums in lieu of capacity payments till the expiry of the PPA. In parallel, the Parties have also agreed that certain outstanding dispute(s) shall be resolved through arbitration under the PPA.

- 17.2 Pursuant to the FSA dated August 03, 1992 between the Company and Pakistan State Oil Company Limited (PSO), PSO supplied 128,000 Metric Tons (MT) of Residual Furnace Oil (RFO) as "First Fill" at no charge to the Company in 1996. Since 1996, there had been correspondence exchanged amongst PSO, WAPDA and the Company. PSO, in earlier days, sought payment for the cost of the First Fill RFO from WAPDA and the Company. Both WAPDA and the Company refused to make payment, citing that PSO's obligation under the FSA to supply First Fill RFO to the Company was at no charge.

PSO continued to claim the cost of the First Fill RFO from WAPDA. In fact, such cost was recorded in PSO's audited accounts as a receivable due from WAPDA. The relevant disclosure in the PSO's audited accounts explicitly stated that a letter was signed between PSO and WAPDA on August 5, 1992 under which WAPDA undertook to pay PSO the cost of First Fill. Later through the intervention of President of Pakistan, an interest free loan of Rs. 802 million was sanctioned to WAPDA to enable it to settle PSO's claim for First Fill RFO. Following the payment to PSO, WAPDA started claiming reimbursement of the cost of the First Fill from the Company. The Company denied the same. The Company's position was that it was under no obligation to pay to PSO under FSA.

In 2015, CPPA(G) through back to back arrangements with WAPDA succeeded all the rights and obligations of WAPDA under the existing Power Purchase Agreement. On November 1, 2017, CPPA(G) wrote to the Company requesting a meeting to discuss the payment of First Fill amounting to Rs. 802 Million, along with late payment interest. On November 10, 2017 the Company wrote to CPPA(G) that the Company is under no obligation for any payment with regards to the First Fill and considered the matter closed. Therefore, there was no point in meeting in relation to the matter. On June 13, 2018, CPPA(G) communicated to the Company that the CPPA(G) had decided to adjust the amount of Rs. 802 Million along with interest of Rs. 10,723 Million against the Company's outstanding LPI invoices.

Due to the above-mentioned action of CPPA(G), the Company was constrained to file a suit before the Sindh High Court (i.e. Suit No. 1411 of 2018) for a declarative injunction against CPPA(G). The Sindh High Court via its Order dated July 9, 2018, directed that status quo be maintained with respect to the amount demanded by CPPA(G) from the Company on account of the First Fill and restrained CPPA(G) from adjusting the First Fill claim amount.



In light of CPPA(G) continuing violation of the orders of the Honourable Sindh High Court (SHC), the Company filed application bearing CMA No. 13776/2020 in the Suit. Such application sought inter alia to restrain CPPA(G), and the Committee, from further violation of the orders of the Honourable SHC by deducting the Impugned Demand when devising the mechanism for settlement of dues of the Company pursuant to MOU (refer note 17.1). Through order dated December 02, 2020, the Honourable SHC, by way of ad-interim relief, directed CPPA(G) not to deduct the Impugned Demand when devising a mechanism for payment of receivables of the Company, and to abide by previous orders.

With the negotiations underway in furtherance of the MOU dated August 21, 2020 (refer note 17.1), the Company filed Suit No. 95 of 2021, wherein the Honourable SHC was pleased to pass an ad-interim order restraining the CPPA (G) and the IPP committee from deducting/adjusting the amount for the First Fill RFO supplied to the Company by PSO i.e. amount of Rs. 802 million together with interest thereon aggregating to Rs. 11.5 billion.

The Company has executed an Agreement with CPPA(G) on February 11, 2021 in furtherance of the MOU dated August 21, 2020 (refer note 17.1) pursuant to which it has been mutually agreed that First Fill issue will be resolved through the arbitration mechanism under the PPA. In this regard, the Parties have agreed to approach the Honourable SHC, to obtain a consent order in Suit No. 1411 of 2018 to the effect that CPPA(G) will participate in the arbitration proceedings as and when initiated by the Company pursuant to the PPA; and accordingly, Suit No.95 of 2021 will be withdrawn by the Company.

## 18. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise of subsidiaries, associates, retirement benefit funds, directors and key management personnel. Significant transactions with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim unconsolidated financial statements are as follows:

18.1 Details of transactions	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
<b>Subsidiaries</b>		
<b>Laraib Energy Limited</b>		
Reimbursable expenses incurred on behalf of subsidiary	32,193	50,172
Receipts against reimbursement of expenses from subsidiary	27,840	19,684
Dividend received	413,761	-
<b>Hub Power Holdings Limited</b>		
Investment in subsidiary	-	6,822,500
Reimbursable expenses incurred on behalf of subsidiary	19,074	97,514
Receipts against reimbursement of expenses from subsidiary	61,129	114,761
Reimbursable expenses incurred by subsidiary	-	8,970
Payment against reimbursement of expenses to subsidiary	-	11,344
Dividend received	3,899,553	-
<b>Hub Power Services Limited</b>		
Reimbursable expenses incurred on behalf of subsidiary	9,821	35,587
Receipts against reimbursement of expenses from subsidiary	14,535	33,209
Reimbursable expenses incurred by subsidiary	24,945	11,481



	Note	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
Payments against reimbursement of expenses to subsidiary		45,974	16,904
Amount paid for O&M services rendered		164,802	920,735
Dividend received		100,000	45,000
Interest expense on loan from subsidiary	18.1.1	4,259	5,544
Payments against interest on loan from subsidiary		3,918	5,544
<b>Narowal Energy Limited</b>			
Reimbursable expenses incurred on behalf of subsidiary		21,907	17,267
Receipts against reimbursement of expenses from subsidiary		21,147	18,180
Interest income on loan to subsidiary	18.2.1	37,735	49,035
Receipts against interest on loan to subsidiary		39,422	49,288
<b>Thar Energy Limited</b>			
Investment in subsidiary		137,000	833,067
Reimbursable expenses incurred on behalf of subsidiary		9,620	19,558
Receipts against reimbursement of expenses from subsidiary		-	1,995
Reimbursable expenses incurred by subsidiary		-	1,227
Payments against reimbursement of expenses to subsidiary		-	324
Services rendered to subsidiary		498,213	232,198
Advance received against services rendered to subsidiary		-	237,206
<b>Other related parties</b>			
Services rendered to TNPTL		94,405	58,572
Reimbursable expenses incurred on behalf of TNPTL		83,702	69,543
Receipts against reimbursement of expenses from TNPTL		-	22,572
Advance received against services rendered to TNPTL		-	140,000
Remuneration to key management personnel			
Salaries, benefits and other allowances		77,471	81,541
Retirement benefits		2,652	3,230
	18.1.2 & 18.1.3	80,123	84,771
Directors' fee	18.1.4	3,350	2,550
Contribution to staff retirement benefit plan of the Company		7,719	42,069
Contribution to staff retirement benefit plan of HPSL		14,425	1,036
Contribution to staff retirement benefit plan of TEL		538	-
Contribution to staff retirement benefit plan of LEL		23	-



18.1.1 The Company has obtained an unsecured short term loan facility for an amount of up to Rs. 500 million from HPSL, to meet its working capital requirements. This facility carries markup at the rate of 0.75% per annum above one month KIBOR payable on quarterly basis. The maximum aggregate amount outstanding at any time during the period was Rs. 149 million (June 2020: Rs. 129 million).

18.1.2 Transactions with key management personnel are carried out under the terms of their employment. They are also provided with the use of Company maintained automobiles and certain other benefits.

18.1.3 The above figures do not include cost allocated to subsidiary companies amounting to Rs. 10 million (Dec 2019: Rs. 9 million).

18.1.4 This represents fee paid to Board of Directors for attending meetings.

18.1.5 The transactions with related parties are made under mutually agreed terms and conditions.

18.2 Details of outstanding balances Subsidiaries	Note	Dec 2020 (Rs. '000s) (Unaudited)	Jun 2020 (Rs. '000s) (Audited)
<b>Hub Power Services Limited</b>			
Payable to subsidiary		17,966	34,945
Loan from subsidiary	18.1.1	148,600	129,000
<b>Narowal Energy Limited</b>			
Loan to subsidiary	18.2.1	1,733,774	140,720
<b>Thar Energy Limited</b>			
Advance against management services		-	216,204
<b>Other related parties</b>			
Payable to The Hub Power Company Limited			
- Employees' Provident Fund		-	2,629
- Employees' Gratuity Fund		5,619	-
Payable to Hub Power Services Limited - Pension Fund		20,600	11,279
Payable to Hub Power Services Limited - Gratuity Fund		12,642	-
Payable to Hub Power Services Limited - Provident Fund		-	5,605
Payable to Thar Energy Limited - Employees' Provident Fund		-	112

18.2.1 The Company has provided NEL an unsecured short term loan facility for an amount of up to Rs. 3,000 million, to meet its working capital requirements, which carries markup at the rate of 0.4% per annum above one month KIBOR. Any late payment is subject to an additional payment of 1.00% per annum above the normal mark-up rate. The maximum aggregate amount outstanding at any time during the period was Rs. 2,208 million (2020: Rs. 1,385 million).

19. CASH AND CASH EQUIVALENTS	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
Cash and bank balances	1,933,266	534,125
Short term borrowings	(28,745,448)	(35,471,956)
	(26,812,182)	(34,937,831)



## 20. FINANCIAL RISK MANAGEMENT

### Financial risk factors

The Company's activities expose it to variety of financial risks namely market risk (including price risk, currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk.

There have been no changes in the financial risk management policies of the Company during the period, consequently these condensed interim unconsolidated financial statements do not include all the financial risk management information and disclosures required in the annual financial statements.

### Fair value estimation

The carrying value of all financial assets and liabilities reflected in these condensed interim unconsolidated financial statements approximate their fair values.

### Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - Inputs from the asset or liability that are not based on observable market data.

	Level 1	Level 2	Level 3	Total
	(Rs. '000s)			
<b>December 2020</b>				
<b>Assets (Investment in SECMC)</b>				
- At fair value through other comprehensive income	-	-	2,313,693	2,313,693
<b>June 2020</b>				
<b>Assets (Investment in SECMC)</b>				
- At fair value through other comprehensive income	-	-	2,544,436	2,544,436
	<b>3 months ended Dec 2020</b>	<b>3 months ended Dec 2019</b>	<b>6 months ended Dec 2020</b>	<b>6 months ended Dec 2019</b>

## 21. PLANT CAPACITY AND PRODUCTION

### HUB PLANT

Theoretical Maximum Output	2,650 GWh	2,650 GWh	5,299 GWh	5,299 GWh
Total Output	0 GWh	0 GWh	105 GWh	34 GWh
Load Factor	0%	0%	2%	1%

Practical maximum output for the power plant taking into account all the scheduled outages is 4,939 GWh (Dec 2019: 4,867 GWh). Output produced by the plant is dependent on the load demanded by CPPA(G) and the plant availability.



## 22. REPRESENTATION / RECLASSIFICATION

Certain prior period figures have been represented / re-classified to reflect a more appropriate presentation of events and transactions for the purpose of consistency.

## 23. ADDITIONAL DISCLOSURE

The World Health Organization has declared COVID-19 (the virus) a global pandemic. With the growing number of cases in Pakistan, the Government of Pakistan has provided directions to take measures to respond to the virus.

While the virus has impacted the global economy, the Company's operations and financial results have not been materially impacted, since all the revenue is receivable from CPPA(G) (refer note 12.2). In future also, the Company does not foresee any significant adverse impact on its operations and financial results.

## 24. DIVIDEND

The Board of Directors declared an interim dividend for the half year ended December 31, 2020 of Rs. 3.00 per share, amounting to Rs. 3,891.463 million, at their meeting held on February 26, 2021. These condensed interim unconsolidated financial statements do not reflect this dividend payable which will be accounted for in the period in which it is approved.

## 25. DATE OF AUTHORISATION

These condensed interim unconsolidated financial statements were authorised for issue on February 26, 2021 in accordance with the resolution of the Board of Directors.

## 26. GENERAL

Figures have been rounded off to the nearest thousand Pakistani Rupees, unless otherwise stated.



M. Habibullah Khan  
Chairman



Khalid Mansoor  
Chief Executive



Abdul Nasir  
Chief Financial Officer



**THE HUB POWER COMPANY LIMITED**  
**CONDENSED INTERIM CONSOLIDATED**  
**STATEMENT OF PROFIT OR LOSS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

	Note	3 months ended Dec 2020 (Rs. '000s)	3 months ended Dec 2019 (Rs. '000s)	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
Turnover	5	10,997,109	10,572,530	26,791,191	24,653,589
Operating costs	6	(3,258,483)	(3,592,359)	(10,913,332)	(10,182,031)
<b>GROSS PROFIT</b>		<b>7,738,626</b>	<b>6,980,171</b>	<b>15,877,859</b>	<b>14,471,558</b>
General and administration expenses		(366,165)	(381,186)	(752,226)	(830,000)
Other income		100,797	94,199	158,206	160,115
Other operating expenses	7	(224,063)	(5,804)	(236,717)	(26,271)
<b>PROFIT FROM OPERATIONS</b>		<b>7,249,195</b>	<b>6,687,380</b>	<b>15,047,122</b>	<b>13,775,402</b>
Finance costs	8	(1,826,562)	(3,191,708)	(3,730,676)	(6,251,021)
Share of profit from associates - net	9	4,122,667	3,280,142	7,604,838	5,153,226
Loss on shares to be transferred to GoB		-	(1,009,029)	-	(1,009,029)
<b>PROFIT BEFORE TAXATION</b>		<b>9,545,300</b>	<b>5,766,785</b>	<b>18,921,284</b>	<b>11,668,578</b>
Taxation		(1,098,179)	(79,583)	(2,032,861)	(157,888)
<b>PROFIT FOR THE PERIOD</b>		<b>8,447,121</b>	<b>5,687,202</b>	<b>16,888,423</b>	<b>11,510,690</b>
Attributable to:					
- Owners of the holding company		8,197,905	5,484,179	16,341,754	11,052,406
- Non-controlling interest		249,216	203,023	546,669	458,284
		<b>8,447,121</b>	<b>5,687,202</b>	<b>16,888,423</b>	<b>11,510,690</b>
Basic and diluted earnings per share attributable to owners of the holding company (Rupees)		<b>6.32</b>	<b>4.23</b>	<b>12.60</b>	<b>8.52</b>

The annexed notes from 1 to 27 form an integral part of these condensed interim consolidated financial statements.

M. Habibullah Khan  
Chairman

Khalid Mansoor  
Chief Executive

Abdul Nasir  
Chief Financial Officer



THE HUB POWER COMPANY LIMITED  
CONDENSED INTERIM CONSOLIDATED  
STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2020

	3 months ended Dec 2020 (Rs. '000s)	3 months ended Dec 2019 (Rs. '000s)	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
Profit for the period	8,447,121	5,687,202	16,888,423	11,510,690
<b>Other comprehensive loss for the period</b>				
<i>Items that will not be reclassified to profit or loss in subsequent periods</i>				
Loss on revaluation of equity investment at fair value through other comprehensive income	(297,893)	(90,551)	(230,743)	(107,508)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>8,149,228</u>	<u>5,596,651</u>	<u>16,657,680</u>	<u>11,403,182</u>
Attributable to:				
- Owners of the holding company	7,900,012	5,393,628	16,111,011	10,944,898
- Non-controlling interest	249,216	203,023	546,669	458,284
	<u>8,149,228</u>	<u>5,596,651</u>	<u>16,657,680</u>	<u>11,403,182</u>

The annexed notes from 1 to 27 form an integral part of these condensed interim consolidated financial statements.

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Chairman

Khalid Mansoor  
Chief Executive

Abdul Nasir  
Chief Financial Officer



**THE HUB POWER COMPANY LIMITED  
CONDENSED INTERIM CONSOLIDATED  
STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2020**

	Note	Dec 2020 (Rs. '000s) (Unaudited)	Jun 2020 (Rs. '000s) (Audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets			
Property, plant and equipment	10	73,957,948	75,600,686
Intangibles		1,427,204	1,441,399
Long term investments	11	61,649,043	54,026,930
Long term deposits, prepayments and others		30,528	35,531
		137,064,723	131,104,546
<b>CURRENT ASSETS</b>			
Stores, spares and consumables		2,708,667	2,893,526
Stock-in-trade		5,223,652	6,699,010
Trade debts	12	107,316,331	99,700,245
Loans and advances		51,974	46,873
Deposits, prepayments and other receivables	13	14,424,371	13,406,781
Cash and bank balances		8,379,102	6,537,425
		138,104,097	129,283,860
<b>TOTAL ASSETS</b>		275,168,820	260,388,406
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVE</b>			
<b>Share Capital</b>			
Authorised		17,000,000	17,000,000
Issued, subscribed and paid-up		12,971,544	12,971,544
<b>Capital Reserve</b>			
Share premium		5,600,000	5,600,000
<b>Revenue Reserve</b>			
Unappropriated profit		68,637,050	57,715,017
Attributable to owners of the holding company		87,208,594	76,286,561
<b>NON-CONTROLLING INTEREST</b>		8,191,450	7,644,781
		95,400,044	83,931,342
<b>NON-CURRENT LIABILITIES</b>			
Long term loans	14	50,724,455	48,137,934
Long term lease liabilities		2,047,259	2,405,269
Deferred taxation		5,077,850	3,170,595
		57,849,564	53,713,798
<b>CURRENT LIABILITIES</b>			
Trade and other payables	15	79,406,388	77,322,905
Unclaimed dividend		209,038	207,797
Unpaid dividend		1,706,244	182,662
Interest / mark-up accrued		1,300,003	1,697,711
Short term borrowings	16	35,228,440	38,861,671
Current maturity of long term loans		3,476,455	3,852,466
Current maturity of long term lease liabilities		555,836	576,095
Taxation-net		36,808	41,959
		121,919,212	122,743,266
<b>TOTAL EQUITY AND LIABILITIES</b>		275,168,820	260,388,406
<b>COMMITMENTS AND CONTINGENCIES</b>			
	17		

The annexed notes from 1 to 27 form an integral part of these condensed interim consolidated financial statements.

M. Habibullah Khan  
Chairman

Khalid Mansoor  
Chief Executive

Abdul Nasir  
Chief Financial Officer



**THE HUB POWER COMPANY LIMITED**  
**CONDENSED INTERIM CONSOLIDATED**  
**STATEMENT CASH FLOWS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

	Note	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		18,921,284	11,668,578
Adjustments for:			
Depreciation		1,919,661	1,902,964
Amortisation		14,183	19,695
Gain on disposal of fixed assets		(27,247)	(2,782)
Provision against slow moving stores, spares and consumables		170,895	88,284
Share of profit from associates - net		(7,604,838)	(5,642,832)
Staff gratuity		18,617	39,937
Interest income		(110,150)	(146,449)
Mark-up on lease liabilities		81,801	120,049
Interest / mark-up expense		3,361,698	5,760,425
Amortisation of transaction costs		56,901	48,693
Operating profit before working capital changes		16,802,805	13,856,562
Working capital changes		(5,411,759)	(7,070,865)
Cash generated from operations		11,391,046	6,785,697
Interest income received		110,210	100,012
Interest / mark-up paid		(3,992,715)	(5,597,952)
Staff gratuity paid		(5,600)	(71,225)
Taxes paid		(81,843)	(151,933)
Net cash generated from operating activities		7,421,098	1,064,599
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed capital expenditure		(469,536)	(1,965,158)
Proceeds from disposal of fixed assets		28,236	7,336
Long term investments made		-	(1,870,772)
Long term deposits and prepayments		5,003	(1,350)
Net cash used in investing activities		(436,297)	(3,829,944)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends paid to owners of the holding company		(3,525,513)	(9,365)
Dividends paid to non controlling interest		(138,282)	(8,010)
Proceeds from long term loans - net		5,313,104	9,824,999
Repayment of long term loans		(2,870,656)	(2,865,444)
Proceeds against issuance of shares to non controlling interest (TEL)		-	416,533
Repayment of long term lease liabilities		(288,546)	(260,424)
Share issue cost		-	(19,071)
Net cash (used in) / generated from financing activities		(1,509,893)	7,079,218
Net increase in cash and cash equivalents		5,474,908	4,313,873
Cash and cash equivalents at the beginning of the period		(32,324,246)	(41,346,671)
Cash and cash equivalents at the end of the period	20	(26,849,338)	(37,032,798)

The annexed notes from 1 to 27 form an integral part of these condensed interim consolidated financial statements.

M. Habibullah Khan  
Chairman

Khalid Mansoor  
Chief Executive

Abdul Nasir  
Chief Financial Officer



**THE HUB POWER COMPANY LIMITED**  
**CONDENSED INTERIM CONSOLIDATED**  
**STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
<b>ATTRIBUTABLE TO OWNERS OF THE HOLDING COMPANY</b>		
<b>ISSUED CAPITAL</b>		
Balance at the beginning of the period	12,971,544	12,971,544
Balance at the end of the period	<u>12,971,544</u>	<u>12,971,544</u>
<b>SHARE PREMIUM</b>		
Balance at the beginning of the period	5,600,000	5,600,000
Balance at the end of the period	<u>5,600,000</u>	<u>5,600,000</u>
<b>UNAPPROPRIATED PROFIT</b>		
Balance at the beginning of the period	57,715,017	32,427,157
Profit for the period	16,341,754	11,052,406
Other comprehensive loss for the period	(230,743)	(107,508)
<b>Total comprehensive income for the period</b>	16,111,011	10,944,898
Share issue cost	(360)	(40,826)
<b>Transactions with owners in their capacity as owners</b>		
First interim dividend for the fiscal year 2020-21 @ Rs. 4.00 (2019-20 @ Rs. Nil) per share	(5,188,618)	-
Balance at the end of the period	<u>68,637,050</u>	<u>43,331,229</u>
Attributable to owners of the holding company	<u>87,208,594</u>	<u>56,302,773</u>
<b>NON-CONTROLLING INTEREST</b>		
Balance at the beginning of the period	7,644,781	6,424,007
Total comprehensive income for the period	546,669	458,284
Investment made	-	416,533
Balance at the end of the period	<u>8,191,450</u>	<u>7,298,824</u>
<b>TOTAL EQUITY</b>	<u>95,400,044</u>	<u>63,601,597</u>

The annexed notes from 1 to 27 form an integral part of these condensed interim consolidated financial statements.

M. Habibullah Khan  
Chairman

Khalid Mansoor  
Chief Executive

Abdul Nasir  
Chief Financial Officer





**THE HUB POWER COMPANY LIMITED**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED**  
**FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

**1. STATUS AND NATURE OF BUSINESS**

The Hub Power Company Limited (the "holding company") was incorporated in Pakistan on August 1, 1991 as a public limited company. The shares of the holding company are listed on the Pakistan Stock Exchange (PSX). The principal activities of the holding company are to develop, own, operate and maintain power stations. The holding company owns an oil-fired power station of 1,200 MW (net) in Balochistan (Hub Plant).

The Group consists of the holding company and following subsidiaries / associates:

**Subsidiaries:**

- Laraib Energy Limited (LEL) - Holding of 74.95%;
- Hub Power Services Limited (HPSL) - Holding of 100%;
- Hub Power Holdings Limited (HPHL) - Holding of 100%;
- Narowal Energy Limited (NEL) - Holding of 100%; and
- Thar Energy Limited (TEL) - Holding of 60%.

**Associates:**

- China Power Hub Generation Company (Private) Limited (CPHGC) - Legal ownership interest of 47.5%; and
- ThalNova Power Thar (Private) Limited (TNPTL) - ownership interest of 38.3%.

**Thar Energy Limited (TEL)**

On January 30, 2020, PPIB on behalf of the Government of Pakistan notified the achievement of Financial Close (FC) of TEL.

In relation to the achievement of TEL's FC, a Deed of Undertaking (Deed) was signed between TEL and Habib Bank Limited (the Intercreditor Agent), pursuant to which TEL was required to procure the following no later than June 30, 2020, subject to the terms and conditions defined in the Deed:

- i. An amendment in the Sponsor Support Agreement (SSA) executed between TEL, its shareholders and its lenders for Additional Sponsor Support up to maximum of USD 19.5 million in which the holding company's share will be USD 11.7 million (based on the 60% equity stake); and
- ii. An amendment in the Coal Supply Agreement (CSA) in a way that coal supply by SECMC is available by December 31, 2021.

During the period, upon request of TEL, the Intercreditor Agent has extended the time period till when TEL is required to satisfy the requirement of Deed of Undertaking from June 30, 2020 to November 30, 2020 and waived any default or event of default as a result of Covid-19 situation in Pakistan including any breach under loan agreements. TEL has executed the above-mentioned amendment in the SSA and Amendment for CSA before November 30, 2020.

Under the PPA, TEL's Required Commercial Operations Date (RCOD) is March 31, 2021. Any delay in achievement of COD beyond the RCOD will result in Liquidated Damages (LDs) amounting to USD 2.68 million for each month of delay. TEL expects to achieve COD by March 2022. Considering the delay in COD, TEL has requested PPIB and CPPA(G) for extension in RCOD.

**2. BASIS OF PREPARATION**

These condensed interim consolidated financial statements of the holding company for the half year ended December 31, 2020 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim consolidated financial statements do not include all the information and disclosures as required in the annual consolidated financial statements and should be read in conjunction with the holding company's annual consolidated financial statements for the year ended June 30, 2020.



### 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation followed for the preparation of these condensed interim consolidated financial statements are same as those applied in preparing the consolidated financial statements for the year ended June 30, 2020.

### 4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of condensed interim consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions. Judgements and estimates made by the management in the preparation of these condensed interim consolidated financial statements are same as those applied in the Group's annual consolidated financial statements for the year ended June 30, 2020. The Group's financial risk management objectives and policies are consistent with those disclosed in the Group's annual consolidated financial statements for the year ended June 30, 2020.

	Note	3 months ended	3 months ended	6 months ended	6 months ended
		Dec 2020 (Rs. '000s)	Dec 2019 (Rs. '000s)	Dec 2020 (Rs. '000s)	Dec 2019 (Rs. '000s)
<b>5. TURNOVER</b>					
Capacity Purchase Price (CPP)		8,695,407	7,999,949	17,597,294	16,254,927
Energy Purchase Price (EPP)		618,531	573,904	6,312,373	4,873,328
Late Payment Interest (LPI)		1,769,895	2,077,840	3,562,336	4,137,573
Startup Charges (SC)		2,730	-	30,072	25,671
Part Load Adjustment Charges (PLAC)		452	-	154,296	62,463
		<u>11,087,015</u>	<u>10,651,693</u>	<u>27,656,371</u>	<u>25,353,962</u>
Less: Sales tax on EPP		(89,906)	(79,163)	(865,180)	(700,373)
		<u>10,997,109</u>	<u>10,572,530</u>	<u>26,791,191</u>	<u>24,653,589</u>

### 6. OPERATING COSTS

Fuel cost		443,176	321,558	5,197,561	3,939,667
Late Payment Interest to fuel suppliers		619,521	955,480	1,231,674	2,038,858
Water use charges		52,447	38,340	92,841	58,736
Salaries, benefits and other allowances	6.1	272,231	345,271	628,617	680,349
Stores and spares		202,435	125,290	456,944	248,850
Insurance		337,729	305,718	701,851	616,022
Depreciation		916,546	968,935	1,876,016	1,830,383
Amortisation		6,745	19,385	13,491	36,354
Repairs, maintenance and other costs		407,653	512,382	714,337	732,812
		<u>3,258,483</u>	<u>3,592,359</u>	<u>10,913,332</u>	<u>10,182,031</u>

6.1 This includes a sum of Rs. 51 million (Dec 2019: Rs. 57.3 million) in respect of staff retirement benefits.

	Note	3 months ended	3 months ended	6 months ended	6 months ended
		Dec 2020 (Rs. '000s)	Dec 2019 (Rs. '000s)	Dec 2020 (Rs. '000s)	Dec 2019 (Rs. '000s)
<b>7. OTHER OPERATING EXPENSES</b>					
Exchange loss - net		21,813	2,797	21,813	22,638
Workers' profit participation fund	7.1	202,250	3,007	214,904	3,633
		<u>224,063</u>	<u>5,804</u>	<u>236,717</u>	<u>26,271</u>

	3 months ended Dec 2020 (Rs. '000s)	3 months ended Dec 2019 (Rs. '000s)	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
<b>7.1 Workers' profit participation fund</b>				
Provision for workers' profit participation fund	432,037	122,772	677,166	264,433
Workers' profit participation fund recoverable from CPPA(G)	(229,787)	(119,765)	(462,262)	(260,800)
	<u>202,250</u>	<u>3,007</u>	<u>214,904</u>	<u>3,633</u>

The holding company and NEL are required to pay 5% of their profits to the workers' profit participation fund (the "Fund"). The holding company and NEL are entitled to claim majority of this expense from the Central Power Purchasing Agency (Guarantee) Limited (CPPA-G) as a pass through item.

	3 months ended Dec 2020 (Rs. '000s)	3 months ended Dec 2019 (Rs. '000s)	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
<b>8. FINANCE COSTS</b>				
Interest / mark-up on long term loans	891,613	1,421,593	1,790,522	2,624,369
Mark-up on short term borrowings	736,568	1,485,079	1,571,176	3,136,056
Mark-up on lease liabilities	40,158	66,574	81,801	120,049
Amortisation of transaction costs	23,566	27,353	56,901	48,693
Other finance costs	134,657	191,109	230,276	321,854
	<u>1,826,562</u>	<u>3,191,708</u>	<u>3,730,676</u>	<u>6,251,021</u>

	3 months ended Dec 2020 (Rs. '000s)	3 months ended Dec 2019 (Rs. '000s)	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
<b>9. SHARE OF PROFIT FROM ASSOCIATES - NET</b>				
China Power Hub Generation Company (Private) Limited	4,266,455	3,455,035	7,865,290	5,335,546
- representing 47.5% (Dec 2019: 47.5%) equity shares	(134,731)	(172,224)	(248,378)	(172,224)
- obligation in respect of profit on shares related to GoB	<u>4,131,724</u>	<u>3,282,811</u>	<u>7,616,912</u>	<u>5,163,322</u>
ThalNova Power Thar (Private) Limited	(9,057)	(2,669)	(12,074)	(10,096)
	<u>4,122,667</u>	<u>3,280,142</u>	<u>7,604,838</u>	<u>5,153,226</u>

	Dec 2020 (Rs. '000s) (Unaudited)	Jun 2020 (Rs. '000s) (Audited)
<b>10. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating property, plant and equipment	42,679,181	44,914,860
Capital work-in-progress		
Holding company	181,732	183,870
NEL	1,758	600
LEL	-	14,166
TEL	31,094,798	30,486,331
HPSL	479	859
	<u>31,278,767</u>	<u>30,685,826</u>
	<u>73,957,948</u>	<u>75,600,686</u>

	Note	Dec 2020 (Rs. '000s) (Unaudited)	Jun 2020 (Rs. '000s) (Audited)
<b>11. LONG TERM INVESTMENTS</b>			
<b>Investment in associates - unquoted</b>			
China Power Hub Generation Company (Private) Limited (CPHGC)	11.1	54,086,396	46,221,106
ThalNova Power Thar (Private) Limited (TNPTL)	11.2	5,248,954	5,261,388
		<u>59,335,350</u>	<u>51,482,494</u>
<b>Others - unquoted</b>			
Equity investment at fair value through other comprehensive income - Sindh Engro Coal Mining Company Limited (SECMC)		2,313,693	2,544,436
		<u>61,649,043</u>	<u>54,026,930</u>
<b>11.1 China Power Hub Generation Company (Private) Limited (CPHGC)</b>			
Opening investment		46,221,106	28,995,221
Investment during the period / year		-	3,097,346
Share of profit from associate		7,865,290	14,150,294
Group's share in share issue cost		-	(21,755)
		<u>54,086,396</u>	<u>46,221,106</u>
<b>11.2 ThalNova Power Thar (Private) Limited (TNPTL)</b>			
Opening investment		5,261,388	5,262,908
Investment during the period / year		-	-
Share of (loss) / profit from associate		(12,074)	652
Group's share in share issue cost		(360)	(2,172)
		<u>5,248,954</u>	<u>5,261,388</u>

On September 30, 2020, Private Power and Infrastructure Board (PPIB) on behalf of the Government of Pakistan notified the achievement of Financial Close (FC) of TNPTL.

On January 31, 2020, CMEC (the EPC Contractor of TNPTL's project) notified TNPTL for Force Majeure Event (FME) due to outbreak of Coronavirus (COVID-19) in China and across the globe, the same was declared as pandemic by the World Health Organisation (WHO). Furthermore, this pandemic has also seriously affected the work of Chinese financial institutions, including China Development Bank. Accordingly, on March 16, 2020, TNPTL requested PPIB for further extension in Financial Closing Deadline till October 31, 2020. After fulfilling the required conditions, on July 28, 2020, PPIB approved the extension in Financial Closing Deadline till October 31, 2020. Under the PPA, TNPTL's Required Commercial Operations Date (RCOD) is March 31, 2021. TNPTL has the obligation to pay CPPA(G), Liquidated Damages (LDs), equivalent to the payment of proportionate Transmission Service Charges (TSC) payable by National Transmission and Despatch Company Limited (NTDC) to Pak Matiari-Lahore Transmission Company Limited, in case there is delay in COD of March 31, 2021. On March 12, 2019, TNPTL issued Limited Notice to Proceed (LNTP) to the EPC Contractor and work has commenced on the site. TNPTL expects to achieve COD by the mid of 2022, which will result in LDs amounting to USD 2.68 million for each month of delay. Considering the delay in COD, TNPTL has requested PPIB and CPPA(G) for extension in RCOD.

	Note	Dec 2020 (Rs. '000s) (Unaudited)	Jun 2020 (Rs. '000s) (Audited)
<b>12. TRADE DEBTS - secured</b>			
Considered good - Secured			
Capacity Purchase Price (CPP)		48,137,592	44,230,304
Energy Purchase Price (EPP)		15,769,672	15,177,560
Late Payment Interest (LPI)	12.1 & 17.1.2	41,942,786	38,380,467
Startup Charges (SC)		271,898	241,826
Part Load Adjustment Charges (PLAC)		848,565	694,270
Pass through items (WPPF and taxes)		345,818	975,818
	12.2	<u>107,316,331</u>	<u>99,700,245</u>

- 12.1 This includes Rs. 7,285 million (June 2020: Rs. 8,457 million) related to LPI which is not yet billed by the Group.
- 12.2 This includes an amount of Rs. 91,018 million (June 2020: Rs. 82,164 million) from CPPA(G) and Rs. 4,234 million (June 2020: Rs. 3,121 million) from NTDC which are overdue but not impaired because the trade debts are secured by a guarantee from the Government of Pakistan (GOP) under the Implementation Agreements (IA).

The delay in payments under Hub PPA carries mark-up at State Bank of Pakistan (SBP) discount rate plus 2% per annum compounded semi-annually and the delay in payments under Narowal and Laraib PPAs carries mark-up at a rate of three month KIBOR plus 4.5% and six month KIBOR plus 2% per annum respectively, compounded semi-annually for all overdue invoices except Late Payment Interest invoices.

	Note	Dec 2020 (Rs. '000s) (Unaudited)	Jun 2020 (Rs. '000s) (Audited)
<b>13. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>			
Deposits		359	359
Prepayments		754,348	70,048
Other receivables			
Interest accrued		3,110	3,170
Income tax - refundable		1,356,371	1,403,436
Income tax - Contractor tax refundable		372,469	372,469
Sales tax		8,432,081	8,574,666
Advance tax		8,576	10,425
Staff gratuity		4,534	14,264
Pension fund		578	-
Receivable from CPHGC		15,019	-
Receivable from TNPTL		272,691	169,908
Receivable from TNPTL against services agreement		140,963	46,558
Workers' profit participation fund recoverable from CPPA(G)	7.1	3,023,501	2,561,238
Miscellaneous		39,771	180,240
		13,669,664	13,336,374
		<u>14,424,371</u>	<u>13,406,781</u>

#### 14. LONG TERM LOANS

- 14.1 During the period, the Group obtained additional long term loan of Rs. 512 million under the Salary Refinancing Scheme introduced by State Bank of Pakistan (SBP). The loan carries a mark-up of 1.50% per annum which is payable on quarterly basis in arrears. The loan is repayable in eight equal quarterly installments starting from January 2021. Any late payment by the holding company is subject to the markup to be calculated at the prevailing rate of three month KIBOR plus 1.50%. The loan is secured against subordinate hypothecation charge over all present and future movable fixed assets of the holding company and NEL (excluding land and building).
- 14.2 During the period, HPHL issued privately placed secured Sukuk Certificates amounting to Rs. 6,000 million at a discounted value of Rs. 4,948 million covering profit payment for the first two years of the issue. The Sukuk Certificates carry mark-up at the rate of 2.5% per annum above six-month KIBOR. Commencing from December 2022, the mark-up on the Sukuk will be payable on semi-annual basis in arrears. The principal will be payable in four equal semi-annual installments commencing from May 2024. The Sukuk Certificates are secured by:
- Ranking and subordinated charge over all present and future movable fixed assets of the holding company;
  - Ranking and subordinated floating charge over all present and future movable fixed and current assets of HPHL;
  - Revolving Cross Corporate Guarantee from the holding company for all principal repayments and profit amounts; and
  - Liquid Asset (cash, cash equivalent and others) in the amount of the next payment due, inclusive of both the due and payable instalment, to be held under first pari-passu charge. Such security will be created at least ninety (90) days prior to the Payment Date.

#### 15. TRADE AND OTHER PAYABLES

This includes Rs. 51,638 million (June 2020: Rs. 50,406 million) payable to Pakistan State Oil Company Limited (PSO), out of which overdue amount is Rs. 44,327 million (June 2020: Rs. 44,327 million).

The delay in payments to PSO carries mark-up at the SBP discount rate plus 2% per annum compounded semi-annually except Late Payment Interest invoices.

## **16. SHORT TERM BORROWINGS**

16.1 On November 16, 2020, the holding company issued privately placed unsecured Sukuk certificates based on Musharaka amounting to Rs. 4,500 million at a mark-up of 1.30% per annum above six month KIBOR. The mark-up and the principal on the Sukuk is payable at maturity on May 16, 2021. Any late payment by the holding company is subject to mark-up at a rate of 2.00% per annum over six month KIBOR.

## **17. COMMITMENTS AND CONTINGENCIES**

There is no material change in the status of commitments and contingencies as disclosed in the annual consolidated financial statements of the Group for the year ended June 30, 2020, except as follows:

17.1 In connection with the operations of holding company:

17.1.1 In furtherance of the MOU dated August 21, 2020, Central Power Purchasing Agency (Guarantee) Limited (Power Purchaser) and the holding company have executed an agreement ("Agreement") on February 11, 2021. The payment of overdue receivables is an integral part of the Agreement and the payment mechanism envisaged is two instalments, with 40% of the overdue receivables to be received within 30 business days of signing the Agreement comprising 1/3rd in cash and 2/3rd in the form of financial instruments of Pakistan Investment Bonds(PIBs) and Sukuks and the remaining 60% payable 6 months thereafter by way of similar mechanism as that of the first instalment. In addition, payment of all invoices will be made in order of its submission so that invoices that have been outstanding the longest (in whole or in part) shall be paid first.

The Parties have also agreed to reduce the existing Fixed Operating Costs Element by 11%, whilst keeping the existing arrangement of indexations. However, the Parties have agreed to discontinue the USD Exchange rate and US CPI indexation on the Project Company Equity and fix the same on National Bank of Pakistan's TT/OD selling PKR/USD exchange rate prevailing as on August 21, 2020 and US CPI for the month of August 2020; however, till the current exchange rate reaches that of August 21, 2020 i.e. PKR 168.60/USD, the existing arrangement under Power Purchase Agreement (PPA) for the half year January 2021 - June 2021 shall apply for future billings.

The Parties have also agreed to engage without delay, on signing of the Agreement, in good faith negotiations and discussion and use their best endeavours to achieve pre-mature termination of the PPA, which will be mutually beneficial, resulting in compensation to the holding company, while saving GOP substantial sums in lieu of capacity payments till the expiry of the PPA. In parallel, the Parties have also agreed that certain outstanding dispute(s) shall be resolved through arbitration under the PPA.

17.1.2 Pursuant to the FSA dated August 03, 1992 between the holding company and Pakistan State Oil Company Limited (PSO), PSO supplied 128,000 Metric Tons (MT) of Residual Furnace Oil (RFO) as "First Fill" at no charge to the holding company in 1996. Since 1996, there had been correspondence exchanged amongst PSO, WAPDA and the holding company. PSO, in earlier days, sought payment for the cost of the First Fill RFO from WAPDA and the holding company. Both WAPDA and the holding company refused to make payment, citing that PSO's obligation under the FSA to supply First Fill RFO to the holding company was at no charge.

PSO continued to claim the cost of the First Fill RFO from WAPDA. In fact, such cost was recorded in PSO's audited accounts as a receivable due from WAPDA. The relevant disclosure in the PSO's audited accounts explicitly stated that a letter was signed between PSO and WAPDA on August 5, 1992 under which WAPDA undertook to pay PSO the cost of First Fill. Later through the intervention of President of Pakistan, an interest free loan of Rs. 802 million was sanctioned to WAPDA to enable it to settle PSO's claim for First Fill RFO. Following the payment to PSO, WAPDA started claiming reimbursement of the cost of the First Fill from the holding company. The holding company denied the same. The holding company's position was that it was under no obligation to pay to PSO under FSA.

In 2015, CPPA(G) through back to back arrangements with WAPDA succeeded all the rights and obligations of WAPDA under the existing Power Purchase Agreement. On November 1, 2017, CPPA(G) wrote to the holding company requesting a meeting to discuss the payment of First Fill amounting to Rs. 802 Million, along with late payment interest. On November 10, 2017 the holding company wrote to CPPA(G) that the holding company is under no obligation for any payment with regards to the First Fill and considered the matter closed. Therefore, there was no point in meeting in relation to the matter. On June 13, 2018, CPPA(G) communicated to the holding company that the CPPA(G) had decided to adjust the amount of Rs. 802 Million along with interest of Rs. 10,723 Million against the holding company's outstanding LPI invoices.

Due to the above-mentioned action of CPPA(G), the holding company was constrained to file a suit before the Sindh High Court (i.e. Suit No. 1411 of 2018) for a declarative injunction against CPPA(G). The Sindh High Court via its Order dated July 9, 2018, directed that status quo be maintained with respect to the amount demanded by CPPA(G) from the holding company on account of the First Fill and restrained CPPA(G) from adjusting the First Fill claim amount.



In light of CPPA(G) continuing violation of the orders of the Honourable Sindh High Court (SHC), the holding company filed application bearing CMA No. 13776/2020 in the Suit. Such application sought inter alia to restrain CPPA(G), and the Committee, from further violation of the orders of the Honourable SHC by deducting the Impugned Demand when devising the mechanism for settlement of dues of the holding company pursuant to MOU (refer note 17.1). Through order dated December 02, 2020, the Honourable SHC, by way of ad-interim relief, directed CPPA(G) not to deduct the Impugned Demand when devising a mechanism for payment of receivables of the holding company, and to abide by previous orders.

With the negotiations underway in furtherance of the MOU dated August 21, 2020 (refer note 17.1), the holding company filed Suit No. 95 of 2021, wherein the Honourable SHC was pleased to pass an ad-interim order restraining the CPPA (G) and the IPP committee from deducting/adjusting the amount for the First Fill RFO supplied to the holding company by PSO i.e. amount of Rs. 802 million together with interest thereon aggregating to Rs. 11.5 billion.

The holding company has executed an Agreement with CPPA(G) on February 11, 2021 in furtherance of the MOU dated August 21, 2020 (refer note 17.1) pursuant to which it has been mutually agreed that First Fill issue will be resolved through the arbitration mechanism under the PPA. In this regard, the Parties have agreed to approach the Honourable SHC, to obtain a consent order in Suit No. 1411 of 2018 to the effect that CPPA(G) will participate in the arbitration proceedings as and when initiated by the holding company pursuant to the PPA; and accordingly, Suit No.95 of 2021 will be withdrawn by the holding company.

#### 17.2 In connection with the operations of NEL:

17.2.1 In furtherance of the MOU, CPPA(G) and NEL have executed an agreement ("Agreement") on February 11, 2021. Under the Agreement, the future O&M savings and heat rate efficiency shall be shared by the Parties. The payment of overdue receivables is an integral part of the Agreement with instalments comprising cash and other financial instruments. On payment of the said receivables, Late Payment Interest (LPI) on future invoices will be lowered to KIBOR + 2.0% for the first sixty (60) days and then shall revert to KIBOR + 4.5% as per the PPA, while ensuring that payments follow the PPA mandated FIFO payment principles for this rate to be effective.

The ROE/ROEDC rate shall be changed from the current rate of 15% in USD to 17% in PKR, with no future USD indexation and the USD equity shall be converted to PKR using exchange rate PKR/USD of 148. However, the current indexation shall continue to be applied until the date the applicable exchange rate under the present Tariff reaches PKR/USD of 168. Reconciliation and terms of assessment of past payments are also part of this Agreement through arbitration comprising three arbitrators with their award being final and binding. Settlement of withheld Capacity Payments dispute settled by LCIA pending enforcement before the Lahore High Court is also part of the Agreement.



## 18. SEGMENT INFORMATION

### 18.1 SEGMENT ANALYSIS

The management has determined the operating segments based on the information that is presented to the Board of Directors of the holding company for allocation of resources and assessment of performance. The Group has three reportable segments; power generation business, which includes the Hub plant, Narowal plant & Laraib plant, operations and maintenance business and investments in CPHGC, TEL, TNPTL and SECMC.

The unallocated items of profit and loss and assets and liabilities include items which cannot be allocated to a specific segment on a reasonable basis.

	Power Generation			Operations and Maintenance	Investments	Unallocated	Eliminations	Total
	Hub plant	Narowal plant	Laraib plant					
3 months ended Dec 2020								
(Rs. '000s)								
Turnover	6,814,298	2,565,977	1,616,835	140,118	-	-	(140,119)	10,997,109
Operating costs	(1,995,177)	(953,711)	(348,867)	(78,063)	-	-	117,335	(3,258,483)
<b>GROSS PROFIT</b>	<b>4,819,121</b>	<b>1,612,266</b>	<b>1,267,968</b>	<b>62,055</b>	<b>-</b>	<b>-</b>	<b>(22,784)</b>	<b>7,738,626</b>
General and administration expenses	(206,616)	(23,760)	(40,960)	(20,104)	(75,654)	-	929	(366,165)
Other income	16,960	7,677	9,376	12,140	44,765	4,044,986	(4,035,107)	100,797
Other operating expenses	-	(5)	-	-	(21,808)	(202,250)	-	(224,063)
<b>PROFIT FROM OPERATIONS</b>	<b>4,629,465</b>	<b>1,596,178</b>	<b>1,236,384</b>	<b>54,091</b>	<b>(52,697)</b>	<b>3,842,736</b>	<b>(4,056,962)</b>	<b>7,249,195</b>
Finance costs	(420,640)	(247,902)	(184,740)	(468)	(1,106,642)	-	133,830	(1,826,562)
Share of profit from associates - net	-	-	-	-	4,122,667	-	-	4,122,667
<b>PROFIT BEFORE TAXATION</b>	<b>4,208,825</b>	<b>1,348,276</b>	<b>1,051,644</b>	<b>53,623</b>	<b>2,963,328</b>	<b>3,842,736</b>	<b>(3,923,132)</b>	<b>9,545,300</b>
Taxation	-	(153)	(2,898)	(12,440)	(1,042,726)	(39,962)	-	(1,098,179)
<b>PROFIT FOR THE YEAR</b>	<b>4,208,825</b>	<b>1,348,123</b>	<b>1,048,746</b>	<b>41,183</b>	<b>1,920,602</b>	<b>3,802,774</b>	<b>(3,923,132)</b>	<b>8,447,121</b>

	Power Generation			Operations and Maintenance	Investments	Unallocated	Eliminations	Total
	Hub plant	Narowal plant	Laraib plant					
3 months ended Dec 2019								
(Rs. '000s)								
Turnover	6,443,253	2,611,849	1,517,428	609,227	-	-	(609,227)	10,572,530
Operating costs	(2,309,267)	(1,010,019)	(405,329)	(405,868)	-	-	538,124	(3,592,359)
<b>GROSS PROFIT</b>	<b>4,133,986</b>	<b>1,601,830</b>	<b>1,112,099</b>	<b>203,359</b>	<b>-</b>	<b>-</b>	<b>(71,103)</b>	<b>6,980,171</b>
General and administration expenses	(209,628)	(21,378)	(39,323)	(50,803)	(60,054)	-	-	(381,186)
Other income	12,507	893	15,430	6,344	60,001	60,152	(61,128)	94,199
Other operating expenses	-	-	-	-	(3,638)	(3,007)	841	(5,804)
<b>PROFIT FROM OPERATIONS</b>	<b>3,936,865</b>	<b>1,581,345</b>	<b>1,088,206</b>	<b>158,900</b>	<b>(3,691)</b>	<b>57,145</b>	<b>(131,390)</b>	<b>6,687,380</b>
Finance costs	(811,648)	(558,042)	(260,860)	(81)	(1,753,269)	(38,344)	230,536	(3,191,708)
Share of profit from associates - net	-	-	-	-	3,280,142	-	-	3,280,142
Loss on shares to be transferred to GoB	-	-	-	-	(1,009,029)	-	-	(1,009,029)
<b>PROFIT BEFORE TAXATION</b>	<b>3,125,217</b>	<b>1,023,303</b>	<b>827,346</b>	<b>158,819</b>	<b>514,153</b>	<b>18,801</b>	<b>99,146</b>	<b>5,766,785</b>
Taxation	-	(258)	(325)	(57,824)	(6,780)	(14,396)	-	(79,583)
<b>PROFIT FOR THE YEAR</b>	<b>3,125,217</b>	<b>1,023,045</b>	<b>827,021</b>	<b>100,995</b>	<b>507,373</b>	<b>4,405</b>	<b>99,146</b>	<b>5,687,202</b>

	6 months ended Dec 2020							Total
	Hub plant	Power Generation Narowal plant	Laraib plant	Operations and Maintenance	Investments	Unallocated	Eliminations	
	(Rs. '000s)							
Turnover	15,621,936	7,759,798	3,409,662	264,828	-	-	(265,033)	26,791,191
Operating costs	(5,975,954)	(4,270,965)	(730,337)	(168,422)	-	-	232,346	(10,913,332)
<b>GROSS PROFIT</b>	<b>9,645,982</b>	<b>3,488,833</b>	<b>2,679,325</b>	<b>96,406</b>	<b>-</b>	<b>-</b>	<b>(32,687)</b>	<b>15,877,859</b>
General and administration expenses	(442,525)	(46,158)	(73,933)	(44,106)	(146,433)	-	929	(752,226)
Other income	22,193	8,884	14,992	17,497	86,607	4,298,075	(4,290,042)	158,206
Other operating expenses	-	(5)	-	-	(21,808)	(214,904)	-	(236,717)
<b>PROFIT FROM OPERATIONS</b>	<b>9,225,650</b>	<b>3,451,554</b>	<b>2,620,384</b>	<b>69,797</b>	<b>(81,634)</b>	<b>4,083,171</b>	<b>(4,321,800)</b>	<b>15,047,122</b>
Finance costs	(943,862)	(516,007)	(358,231)	(1,188)	(2,177,080)	(5,413)	271,105	(3,730,676)
Share of profit from associates - net	-	-	-	-	7,604,838	-	-	7,604,838
<b>PROFIT BEFORE TAXATION</b>	<b>8,281,788</b>	<b>2,935,547</b>	<b>2,262,153</b>	<b>68,609</b>	<b>5,346,124</b>	<b>4,077,758</b>	<b>(4,050,695)</b>	<b>18,921,284</b>
Taxation	-	(503)	(4,341)	(23,414)	(1,921,173)	(83,430)	-	(2,032,861)
<b>PROFIT FOR THE YEAR</b>	<b>8,281,788</b>	<b>2,935,044</b>	<b>2,257,812</b>	<b>45,195</b>	<b>3,424,951</b>	<b>3,994,328</b>	<b>(4,050,695)</b>	<b>16,888,423</b>

	6 months ended Dec 2019							Total
	Hub plant	Power Generation Narowal plant	Laraib plant	Operations and Maintenance	Investments	Unallocated	Eliminations	
	(Rs. '000s)							
Turnover	13,695,283	7,753,302	3,205,004	1,197,010	-	-	(1,197,010)	24,653,589
Operating costs	(5,452,379)	(4,382,650)	(677,897)	(785,109)	-	-	1,116,004	(10,182,031)
<b>GROSS PROFIT</b>	<b>8,242,904</b>	<b>3,370,652</b>	<b>2,527,107</b>	<b>411,901</b>	<b>-</b>	<b>-</b>	<b>(81,006)</b>	<b>14,471,558</b>
General and administration expenses	(379,327)	(43,937)	(78,778)	(130,252)	(197,706)	-	-	(830,000)
Other income	39,563	2,536	24,124	13,387	83,431	72,668	(75,594)	160,115
Other operating expenses	-	-	-	-	(25,578)	(3,633)	2,940	(26,271)
<b>PROFIT FROM OPERATIONS</b>	<b>7,903,140</b>	<b>3,329,251</b>	<b>2,472,453</b>	<b>295,036</b>	<b>(139,853)</b>	<b>69,035</b>	<b>(153,660)</b>	<b>13,775,402</b>
Finance costs	(1,707,507)	(1,101,756)	(550,522)	(154)	(3,191,911)	(82,666)	383,495	(6,251,021)
Share of profit from associates - net	-	-	-	-	5,153,226	-	-	5,153,226
Loss on shares to be transferred to GoB	-	-	-	-	(1,009,029)	-	-	(1,009,029)
<b>PROFIT BEFORE TAXATION</b>	<b>6,195,633</b>	<b>2,227,495</b>	<b>1,921,931</b>	<b>294,882</b>	<b>812,433</b>	<b>(13,631)</b>	<b>229,835</b>	<b>11,668,578</b>
Taxation	-	(735)	(2,796)	(114,497)	(13,574)	(26,286)	-	(157,888)
<b>PROFIT FOR THE YEAR</b>	<b>6,195,633</b>	<b>2,226,760</b>	<b>1,919,135</b>	<b>180,385</b>	<b>798,859</b>	<b>(39,917)</b>	<b>229,835</b>	<b>11,510,690</b>

## 18.2 SEGMENT ASSETS & LIABILITIES

	As at Dec 31, 2020							Total
	Hub plant	Power Generation Narowal plant	Laraib plant	Operations and Maintenance	Investments	Unallocated	Eliminations	
	(Rs. '000s)							
<b>Assets</b>	<b>114,036,949</b>	<b>37,827,158</b>	<b>25,776,095</b>	<b>301,651</b>	<b>98,460,306</b>	<b>54,728,183</b>	<b>(55,961,522)</b>	<b>275,168,820</b>
<b>Liabilities</b>	<b>89,436,726</b>	<b>11,931,951</b>	<b>9,874,706</b>	<b>207,587</b>	<b>70,932,453</b>	<b>342,157</b>	<b>(2,956,804)</b>	<b>179,768,776</b>

	As at June 30, 2020							Total
	Hub plant	Power Generation Narowal plant	Laraib plant	Operations and Maintenance	Investments	Unallocated	Eliminations	
	(Rs. '000s)							
<b>Assets</b>	<b>107,841,625</b>	<b>36,773,400</b>	<b>25,769,571</b>	<b>320,180</b>	<b>89,916,313</b>	<b>54,135,232</b>	<b>(54,367,915)</b>	<b>260,388,406</b>
<b>Liabilities</b>	<b>86,805,155</b>	<b>13,813,237</b>	<b>12,125,994</b>	<b>171,311</b>	<b>64,035,965</b>	<b>1,056,741</b>	<b>(1,551,339)</b>	<b>176,457,064</b>



**19. RELATED PARTY TRANSACTIONS AND BALANCES**

Related parties comprise of associates, retirement benefit funds and key management personnel. Significant transactions and balances with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim consolidated financial statements, are as follows:

	Note	6 months ended Dec 2020 (Rs. '000s)	6 months ended Dec 2019 (Rs. '000s)
<b>19.1 Details of Transactions</b>			
<b>Associates</b>			
Services rendered to CPHGC		22,732	2,862
Reimbursable expenses incurred on behalf of TNPTL		102,785	93,859
Receipt against reimbursement of expenses from TNPTL		-	22,572
Services rendered to TNPTL		94,405	58,572
Receipt against services agreement from TNPTL		-	140,000
<b>Other related parties</b>			
Remuneration to key management personnel			
Salaries, benefits and other allowances		177,557	199,596
Retirement benefits		5,196	7,793
	19.1.1	182,753	207,389
Directors' fee	19.1.2	4,925	4,180
Contribution to staff retirement benefit plans		41,094	127,635
Dividend paid to NCI - Coate & Co. Private Limited		131,412	-

19.1.1 Transactions with key management personnel are carried out under the terms of their employment. Key management personnel are also provided with the use of company maintained automobiles and certain other benefits.

19.1.2 This represents fee paid to Board of Directors for attending meetings.

19.1.3 The transactions with related parties are made under mutually agreed terms and conditions.

	Note	Dec 2020 (Rs. '000s) (Unaudited)	Jun 2020 (Rs. '000s) (Audited)
<b>19.2 Details of Balances</b>			
<b>Other related parties</b>			
Payable to staff retirement benefit plans		42,821	73,880
Loan to Key management personnel		-	1,514
<b>20. CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	20.1	8,379,102	6,833,321
Short term borrowings		(35,228,440)	(43,866,119)
		(26,849,338)	(37,032,798)

20.1 This includes an amount of Rs. 2,425 million placed with a bank as a security for issuance of equity Standby Letter of Credit (SBLC) of TNPTL.

## 21. FINANCIAL RISK MANAGEMENT

### Financial risk factors

The Group's activities expose it to variety of financial risks namely market risk (including price risk, currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk.

There have been no changes in the financial risk management policies of the Group during the period, consequently these condensed interim consolidated financial statements do not include all the financial risk management information and disclosures required in the annual consolidated financial statements.

### Fair value estimation

The carrying value of all financial assets and liabilities reflected in these condensed interim consolidated financial statements approximate their fair values.

### Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - Inputs from the asset or liability that are not based on observable market data.

	Level 1	Level 2	Level 3	Total
	(Rs. '000s)			
<b>December 2020</b>				
<b>Assets (Investment in SECMC)</b>				
- At fair value through other comprehensive income	-	-	2,313,693	2,313,693
<b>June 2020</b>				
<b>Assets (Investment in SECMC)</b>				
- At fair value through other comprehensive income	-	-	2,544,436	2,544,436

## 22. PLANT CAPACITY AND PRODUCTION

	3 months ended Dec 2020	3 months ended Dec 2019	6 months ended Dec 2020	6 months ended Dec 2019
<b><u>HUB PLANT</u></b>				
Theoretical Maximum Output	2,650 GWh	2,650 GWh	5,299 GWh	5,299 GWh
Output produced	0 GWh	0 GWh	105 GWh	34 GWh
Load Factor	0%	0%	2%	1%

Practical maximum output for the power plant taking into account all the scheduled outages is 4,939 GWh (Dec 2019: 4,867 GWh). Output produced by the plant is dependent on the load demanded by CPPA(G) and the plant availability.

### **NAROWAL PLANT**

Theoretical Maximum Output	472 GWh	472 GWh	944 GWh	944 GWh
Output produced	33 GWh	27 GWh	258 GWh	224 GWh
Load Factor	7%	6%	27%	24%

Practical maximum output for the power plant, taking into account all the scheduled outages is 917 GWh (Dec 2019: 931 GWh). Output produced by the plant is dependent on the load demanded by CPPA(G) and the plant availability.



	3 months ended Dec 2020	3 months ended Dec 2019	6 months ended Dec 2020	6 months ended Dec 2019
<b><u>LARAIB PLANT</u></b>				
Theoretical Maximum Output	185 GWh	185 GWh	368 GWh	368 GWh
Total Output	127 GWh	98 GWh	225 GWh	152 GWh
Load Factor	69%	53%	61%	41%

Output produced by the plant is dependent on available hydrology and the plant availability.

### 23. REPRESENTATION / RECLASSIFICATION

Certain prior period figures have been represented / re-classified to reflect a more appropriate presentation of events and transactions for the purpose of consistency.

### 24. ADDITIONAL DISCLOSURE

The World Health Organization has declared COVID-19 (the virus) a global pandemic. With the growing number of cases in Pakistan, the Government of Pakistan has provided directions to take measures to respond to the virus.

While the virus has impacted the global economy, the Group's operations and financial results have not been materially impacted, other than disclosed in note 1 and 11.2, since all the revenue is receivable from CPPA(G) / NTDC (refer note 13.2). In future also, the Group does not foresee any significant adverse impact on its operations and financial results.

### 25. DIVIDEND

The Board of Directors of the holding company declared an interim dividend for the half year ended December 31, 2020 of Rs. 3.00 per share, amounting to Rs. 3,891.463 million, at their meeting held on February 26, 2021. These condensed interim consolidated financial statements do not reflect this dividend payable which will be accounted for in the period in which it is approved.

### 26. DATE OF AUTHORISATION

These condensed interim consolidated financial statements were authorised for issue on February 26, 2021 in accordance with the resolution of the Board of Directors.

### 27. GENERAL

Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

M. Habibullah Khan  
Chairman

Khalid Mansoor  
Chief Executive

Abdul Nasir  
Chief Financial Officer

## ڈائریکٹرز کی رپورٹ بسلسلہ انضمام شدہ اور غیر انضمام شدہ مالی گوشوارے برائے

### پہلی ششماہی مختتمہ 31 دسمبر، 2020ء

بورڈ آف ڈائریکٹرز مسرت کے ساتھ، 31 دسمبر، 2020ء کو ختم ہونے والی پہلی ششماہی کے لیے، کمپنی کی مالی اور آپریشنل کارکردگی کا مختصر جائزہ پیش کرتا ہے۔

زیر جائزہ عرصے کے دوران، انضمام شدہ خالص منافع 16,342 ملین روپے رہا، جس کے نتیجے میں فی حصص آمدنی 12.60 روپے ہو گئی جبکہ گزشتہ برس، اسی عرصے کے دوران خالص منافع 11,052 ملین روپے تھا اور فی حصص آمدنی 8.52 روپے تھی۔ منافع میں اضافے کی بنیادی وجہ ایسوسی ایٹ کمپنی چائنا پاور جب جنریشن کمپنی لمیٹڈ کے منافع میں سے زیادہ حصے کی وصولی تھی جس نے مورخہ 17 اگست، 2019ء سے تجارتی آپریشنز شروع کر دیئے تھے۔ اس کے علاوہ امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر اور مالی اخراجات میں کمی بھی منافع میں اضافے کی وجہ بنے۔

زیر جائزہ عرصے کے دوران غیر انضمام شدہ خالص منافع 10,309 ملین روپے رہا جس کے نتیجے میں فی حصص آمدنی 7.95 روپے ہو گئی جبکہ گزشتہ برس، اسی عرصے کے دوران، غیر انضمام شدہ خالص منافع 3,031 ملین روپے اور فی حصص آمدنی 2.34 روپے تھی۔ غیر انضمام شدہ خالص منافع میں اس اضافے کی بنیادی وجہ امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر سمیت مالی اخراجات میں کمی اور ذیلی اداروں سے منافع منقسم میں زیادہ حصہ تھا۔

بورڈ آف ڈائریکٹرز نے اپنے مورخہ 26 فروری، 2021ء کو منعقد ہونے اجلاس میں فی حصص 3.00 روپے کی شرح سے عبوری منافع منقسم دینے کا اعلان کیا۔

کمپنی اور سینٹرل پاور پر چیزنگ ایجنسی (گارنٹی) لمیٹڈ نے 11 فروری، 2021ء کو مفاہمت کی یادداشت مورخہ 21 اگست، 2020ء پر پیش رفت کے طور پر ایک معاہدے پر دستخط کیے۔ اس معاہدے کے تحت ادائیگی کا ایک میکانزم وضع کیا گیا اور ادائیگی کو دو حصوں میں تقسیم کر دیا گیا۔ ادائیگی کا پہلا حصہ یعنی قابل وصول ادائیگیوں کا 40 فیصد معاہدے پر دستخط کرنے کی تاریخ سے 30 کاروباری ایام کے دوران ادا کیا جائے گا۔ پہلے حصے کا ایک تہائی (1/3) نقد رقم اور دو تہائی (2/3) پاور انفراسٹرکچر بورڈ کے فنانشل انسٹرومنٹس اور سٹاک کی صورت میں ہوگا۔ باقی 60 فیصد 6 ماہ بعد قابل ادا ہوگا جس کے لیے وہی طریقہ کار اختیار کیا جائے گا جو پہلے حصے کی ادائیگی کے لیے اختیار کیا جائے گا۔

حکومت پاکستان کی درخواست پر کمپنی اور سینٹرل پاور پر چیزنگ ایجنسی (گارنٹی) لمیٹڈ نے ایک معاہدے پر دستخط کیے ہیں جس کے تحت فکسڈ آپریٹنگ کاسٹس ایلیمینٹ میں 11 فیصد کمی کی جائے گی لیکن موجودہ اشاریوں کو برقرار رکھا جائے گا۔ اسی کے ساتھ، کمپنی اور سی پی پی اے (جی) نے اس بات پر بھی اتفاق کیا کہ پروجیکٹ کی ایکویٹی پر امریکی ڈالر کی شرح مبادلہ اور امریکی صارف کا اشاریہ برائے قیمت (CPI) کی اشاریہ سازی (indexation) ختم کر کے اس کے لیے مورخہ 21 اگست، 2020ء کو رائج نیشنل بینک آف پاکستان کے ذریعے فروخت پر پاکستانی روپے / امریکی ڈالر کی شرح تبادلہ اور اگست 2020ء میں رائج صارف کا اشاریہ برائے قیمت استعمال کیا جائے گا تا وقتیکہ کہ موجودہ شرح تبادلہ 21 اگست، 2020ء کی شرح تک

پہنچ جائے یعنی 168.60 روپے فی امریکی ڈالر زاور موجودہ نصف سال کے لیے پاور پر چیز ایگریمنٹ (پی پی اے) میں طے کردہ موجودہ انتظامات مستقبل میں بلنگ کے لیے بھی استعمال ہوں گے۔

کمپنی اور سینٹرل پاور پر چیزنگ ایجنسی (کارٹی) نے مزید اتفاق کیا ہے کہ وہ، کسی تاخیر کے بغیر، معاہدے پر دستخط کرنے کے لیے نیک نیٹ سے مذاکرات کریں گے اور پاور پر چیز ایگریمنٹ کے قبل از وقت خاتمے کے لیے بہترین کوششیں کریں گے جو دونوں کے لیے فائدہ مند ہوں یعنی پی پی اے کے قبل از وقت خاتمے کی صورت میں کمپنی کو تلافی کی جائے گی جبکہ حکومت پاکستان کو، معاہدے کے خاتمے تک، کمیٹیٹی پیمنٹس نہ کرنے سے خاصی رقم کی بچت ہوگی۔ معاہدے کے قبل از خاتمے سے کمپنی کے دو یونٹوں میں کونٹے سے پیدا ہونے والی بجلی کے الیکٹرک کو فراہم کی جاسکے گی۔ اس کے متوازی، دونوں فریقین نے اس بات پر بھی اتفاق کیا ہے کہ واجبات سے تعلق رکھنے والے مخصوص تنازعات کو، پی پی اے کے تحت، ثالثی کے ذریعے حل کیا جائے گا۔

کمپنی کے کل ملکیتی ادارے، نارووال انرجی لمیٹڈ اور سینٹرل پاور پر چیزنگ ایجنسی (کارٹی) نے بھی مؤرخہ 12 اگست، 2020ء کو طے پانے والی مفاہمت کی یادداشت پر پیش رفت کے طور پر، 11 فروری، 2021ء کو ایک معاہدے پر (نارووال ایگریمنٹ) دستخط کیے ہیں۔

نارووال ایگریمنٹ کے تحت، سرمائے پر منافع / تعمیر کے دوران سرمائے پر منافع (ROE/ROEDC) کی موجودہ شرح تبدیل کر کے امریکی ڈالرز میں 15 فیصد اور پاکستانی روپے میں 17 فیصد کر دی جائے گی اور، اس کے لیے امریکی ڈالرز کا اشاریہ اور امریکی ڈالرز میں موجودہ سرمائے کے لیے 148.00 روپے فی امریکی ڈالرز کی شرح مبادلہ استعمال نہیں کی جائے گی۔ تاہم، موجودہ اشاریے کو اس تاریخ تک استعمال کیا جائے گا جب، موجودہ ٹیرف کے تحت، شرح مبادلہ 168.00 روپے امریکی ڈالرز تک نہ پہنچ جائے۔ مزید برآں، نارووال معاہدے (Narowal Agreement) کے تحت اور بیج ترغامی مناد، نیز شعبہ کے احکام کی غرض سے کی گئی حکومت پاکستان کی درخواست پر، آپریشن امینٹیننس پر ہونے والی بچت اور حرائق شرح کی استعداد (heat rate efficiency) کا نارووال انرجی لمیٹڈ اور حکومت پاکستان کے درمیان اشتراک کیا جانے کا۔ زائد المیعاد وصولیاں نارووال زائد المیعاد وصولیاں نارووال ایگریمنٹ کا لازمی جز ہیں جن کی ادائیگی کے لیے وہی شرائط اختیار کی گئی ہیں جو حکو ایگریمنٹ میں اختیار کی گئی ہیں اور ان میں (ROE/ROEDC) کے لیے نیپرا کے نظر ثانی شدہ ٹیرف کے تعین کی تاریخ سے واجب الادا ہونے والی ادائیگیاں شامل ہیں۔ مزید برآں، پی پی اے کے تحت اور مذکورہ وصولیوں کے حوالے سے، مستقبل میں جاری کیے جانے والے بلوں کے لیے تاخیر سے ادائیگی کا سرچارج (Payment Surcharge) کم کر کے، پہلے چھ دنوں کے لیے KIBOR+2.0 فیصد اور اس کے بعد KIBOR+4.5 فیصد کر دیا جائے گا اور اس شرح کو مؤثر بنانے کے لیے پی پی اے میں مقرر کردہ پہلے آئیے پہلے پائے (First In-First Out; FIFO) کے اصولوں پر عمل کیا جائے گا۔

## ترقیاتی پروجیکٹس

بھورے کونٹے (Lignite) سے بجلی پیدا کرنے والا، تھر کے بلاک II میں قائم، تھر انرجی لمیٹڈ (TEL) کے 330MW کے پلانٹ کی تعمیر کا کام کم و بیش 60 فیصد مکمل ہو چکا ہے اور توقع ہے کہ یہ پلانٹ مارچ، 2020ء تک تجارتی بنیادوں پر پیداوار (COD) شروع کر دے گا۔ پرائیویٹ پاور انفراسٹرکچر بورڈ (Private Power Infrastructure Board; PPIB) نے، مؤرخہ 30 جنوری، 2020ء کو تھر انرجی لمیٹڈ کے ساتھ مالی معاملات کی تکمیل کا اعلان کیا تھا جس کے بعد پاکستان روپے میں قرض کی پہلی قسط مارچ، 2020ء میں موصول ہوئی۔

330MW کی پیداواری گنجائش والا، کمپنی کا دوسرا پروجیکٹ، تھل نوواپاور تھر (پرائیویٹ) لمیٹڈ، تھر بلاک II میں قائم ہے جس کی فنانسنگ کے لیے مالی معاملات، مؤرخہ 30 ستمبر، 2020ء کو مکمل کر لیے ہیں۔ اس پروجیکٹ کے لیے مالی وسائل کی دستیابی (financing) کی بنیادی ذمہ داری چائنا ڈیولپمنٹ بینک (CDB) کی ہے۔ پروجیکٹ کی تعمیر کام ویش 34 فیصد کام مکمل ہو چکا ہے اور توقع ہے کہ یہ پروجیکٹ سنہ 2022ء کے وسط تک تجارتی بنیادوں پر پیداوار کا آغاز کر دے گا۔

### حب پلانٹ

زیر جائزہ عرصے کے دوران، حب پلانٹ کی پیداوار 105GWh رہی اور لوڈ فیکٹر 2 فیصد رہا (2019-20: 1 فیصد)۔ گزشتہ برس، اسی عرصے کے دوران، پیداوار 34GWh تھی۔

### نارروال پلانٹ

نارروال پلانٹ نے، زیر جائزہ عرصے کے دوران، 258GWh بجلی کی پیداوار اور اس کا لوڈ 27 فیصد رہا (2019-20: 24 فیصد) رہا۔ گزشتہ برس، اسی عرصے کے دوران، اس پلانٹ کی پیداوار 224GWh تھی۔

### لاریب پلانٹ

لاریب پلانٹ نے زیر جائزہ عرصے کے دوران، 225GWh بجلی پیدا کی جو گزشتہ برس، اسی عرصے کے دوران 152GWh تھی۔ اس پلانٹ کا لوڈ فیکٹر 61 فیصد رہا (2019-20: 41 فیصد) رہا۔

### سی پی ایچ جی سی پلانٹ

زیر جائزہ عرصے کے دوران، سی پی ایچ جی سی پلانٹ نے 3,636GWh بجلی پیدا کی اور اس کا لوڈ فیکٹر 66 فیصد رہا۔ ریکارڈ وقت میں، شیڈول کے مطابق اور اور تخمینہ لگائے گئے اخراجات کے اندر مکمل کیا گیا سی پی ایچ جی سی پلانٹ چین-پاکستان اقتصادی کوریڈور (سی-پیک) فریم ورک میں شروع کیے گئے توانائی کے ابتدائی پروجیکٹس میں سے ایک ہے اور چینی و پاکستانی کمپنیوں کے درمیان واحد مشترکہ پروجیکٹ ہے اور اس طرح یہ حقیقی معنوں میں قومی اور حکمت عملی کے اعتبار سے ایک اہم پروجیکٹ ہے۔ یہ پلانٹ نیشنل گرڈ، ہر سال، 9 Billion kWh بجلی فراہم کرے گا اور ملک میں کم و بیش 4 ملین گھروں کی ضروریات پوری کرے گا۔

### سندھ اینگرو کول مائننگ کمپنی (ایس ای سی ایم سی)

سندھ اینگرو کول مائننگ کمپنی یعنی ایس ای سی ایم سی نے اپنے فیز II پروجیکٹ کے لیے اپنے تمام مالی معاملات دسمبر، 2019ء میں مکمل کر لیے تھے۔ فیز II سے نکلے والا کوئلہ تھرانز جی لمیٹڈ اور تھل نوواپاور تھر (پرائیویٹ) لمیٹڈ کو فراہم کیا جائے گا۔



## نئی کاروباری مہمات

توانائی اور انفراسٹرکچر کے دیگر شعبوں میں، کمپنی نے نئی دریافتوں، مواقع اور امکانات کی تلاش جاری رکھی۔

زیر جائزہ عرصے کے دوران کمپنی نے حکومت سندھ کو، اس کے صنعتی استعمال کے لیے، گندے پانی کی ری سائیکلنگ کے پروجیکٹ کی تجویز پیش کی۔ یہ، کمپنی اور حکومت سندھ کے درمیان، سرکاری و نجی شراکت کا پروجیکٹ ہے۔ اس کے علاوہ، کمپنی نے پاکستان ڈیفنس آفیسرز، ہاؤسنگ اتھارٹی، کراچی کے ساتھ بھی مفاہمت کی ایک یادداشت پر دستخط کیے ہیں جس کا مقصد، مشترکہ طور پر، ڈی ایچ اے کو جنٹ لمیٹڈ کی بحالی کے تجارتی اور ٹیکنیکی اعتبار سے قابل عمل ہونے کے جائزہ لینا ہے۔ یہ پروجیکٹ 84MW بجلی پیدا کرے گا جو کے الیکٹرک کو فراہم کی جائے گی جبکہ کینٹونمنٹ بورڈ کلفٹن کو روزانہ 3 ملین گیلن قابل استعمال پانی فراہم کرے گا۔ مزید برآں، کمپنی اور ڈی ایچ اے نے مشترکہ طور پر 5 ملین گیلن روزانہ قابل استعمال پانی کی فراہمی کا منصوبہ بھی بنایا ہے جس کے لیے سی واٹر ریورس اوسموسس (Sea Water Reverse Osmosis) ٹیکنالوجی استعمال کی جائے گی جس کے جبکو کے پاس انکار کرنے کا پہلا حق موجود ہے۔

زیر جائزہ عرصے کے دوران کمپنی نے، کے الیکٹرک کے ساتھ اپنی، مفاہمت کی یادداشت کی تجدید کی جس کا مقصد کے الیکٹرک کے لیے اپنے دو یونٹوں میں کولے سے بجلی پیدا کرنا اور بیس لوڈ پاور پاور کی بنیاد پر مسابقتی قیمت میں فراہم کرنا ہے۔ اس پروجیکٹ کے لیے کمپنی حکومت سے درکار منظور یوں کے حصول کے لیے کوشاں ہے۔

کمپنی اپنے تمام حصص یافتگان، ملازمین، کاروباری پارٹنرز اور دیگر تمام فریقین کی شکر گزار ہے کہ انہوں نے کمپنی پر اعتماد کیا اور کمپنی کو ترقی اور خوشحالی کے سفر پر اپنی اعانت فراہم کی۔

بحکم بورڈ

ایم حبیب اللہ خان

چیئرمین

خالد منصور

چیف ایگزیکٹو آفیسر